**THIS TRANSCRIPT IS ISSUED ON THE UNDERSTANDING THAT IT IS TAKEN FROM A LIVE PROGRAMME AS IT WAS BROADCAST. THE NATURE OF LIVE BROADCASTING MEANS THAT NEITHER THE BBC NOR THE PARTICIPANTS IN THE PROGRAMME CAN GUARANTEE THE ACCURACY OF THE INFORMATION HERE.**

**MONEY BOX LIVE**

**Presenter: VINCENT DUGGLEBY**

**TRANSMISSION: 22nd FEBRUARY 2012 3.00-3.30 RADIO 4**

**DUGGLEBY:** Good afternoon and welcome to Money Box Live where I have three insurance experts to deal with your questions about an industry which has come in for some strong criticism in recent months. Many of you are complaining about rising costs, particularly car insurance, where according to the AA premiums have gone up by around 50% in the past 2 years. Earlier this month, the Prime Minister David Cameron met insurance leaders to discuss what could be done to ease the pressure on families hard pressed by inflation and low wage settlements. Older drivers may also be finding it much harder to get cover, especially those over 75. As for house insurance, premiums have gone up by just under 6% for a combined buildings and contents policy, but there are wide variations, especially if your home is at risk from flooding, and we've got a question on that issue coming up later in the programme. Another subject open to debate is extended warranty insurance following a report by the Office of Fair Trading on whether policies offer good value for money. And of course there's the vexed question of Payment Protection Insurance. Are you as fed up as I am with the steady stream of recorded telephone messages from firms offering to help with claims and charge you quite a lot for that service? The Money Box Live number for your calls is 03700 100 444, and to provide the answers: Malcolm Tarling, Media Relations Officer with the ABI, the Association of British Insurers; Graeme Trudgill, Technical and Corporate Affairs Executive with BIBA, the British Insurance Brokers Association; and Clare Frances, Site Editor of Moneysupermarket.com. We have a lot of questions and the first one comes from Rose in Pinhoe, Exeter. Rose?

**ROSE:** Hello.

**DUGGLEBY:** Hello Rose.

**ROSE:** Good afternoon?

**DUGGLEBY:** Carry on with your question.

**ROSE:** Well my question is that last year when my car insurance was due for renewal, I noticed that the information I had to check was that I'd made no claims or incidents within the last 12 months. And about 6 months before, I had been involved in an incident because a small child had used a push scooter and run out in front of me while I was negotiating a mini-roundabout. The police said there was no fault on my part, no injury to the child, no damage to my car that I was prepared to claim for, and yet when I notified the insurance company of the incident, I was charged an additional premium.

**DUGGLEBY:** Hmn.

**ROSE:** Which I thought was really unfair.

**DUGGLEBY:** Right. Okay Malcolm?

**TARLING:** Rose, well I'm assuming that the additional premium is a result of this incident. I mean there are two issues here. Firstly, you are obviously expected to notify the insurance company of claims - the new insurer that is - and any incidents that you may have reported that did not give rise to a claim at the time. And the reason is that what insurers are trying to do is try to cover themselves against any claim that may subsequently be made against you. It's not unheard of for a case to look like it's relatively clear-cut at the outset and then 6 months down the line someone actually makes a claim, particularly in this day and age where we've got claims management firms very much encouraging people to claim for all manner of things. So reading between the lines, I think that is the reason why this extra premium has been charged - to cover against the risk of you subsequently facing a claim from this incident, which albeit, as you said, looked pretty clear-cut at the time. But I would suggest you go back to the insurer just to double check exactly why this premium has been added to your policy.

**DUGGLEBY:** Again on renewal, Clare, would you have to disclose the fact that you'd made a claim because you obviously haven't made a claim? Is there anything that would cause you not to be able to get a cheaper premium elsewhere possibly?

**FRANCIS:** I mean it's definitely worthwhile looking around when it comes up to renewal, particularly if the current insurer won't, Rose, when you speak to them, if they're not prepared to sort of deduct that amount depending on the time that's passed. But certainly it's well worth shopping around and getting quotes because you could well save money by switching to a different insurer. Particularly as you know they're pricing slightly differently anyway, so even if they would factor the incident, take it into consideration, it could still result in a lower premium than the one you're currently paying.

**DUGGLEBY:** And of course, Graeme, we're familiar with the concept that it's no claim and no blame. The blame and the claim bit are the two bits you have to put into the equation and some people confuse them and say well you know it wasn't my fault.

**TRUDGILL:** That's right, it's a no claims bonus, not a no blame bonus. So at the moment it sounds like your bonus might be temporarily stepped back while this claim's potentially outstanding. If at some stage it's proved that there's not going to be a claim, I would hope that that bonus would be reinstated and then you should get your money back.

**DUGGLEBY:** Okay.

**ROSE:** Well the point was there was no claim.

**DUGGLEBY:** Well there has not been a claim up to now within the term of the policy, isn't that right?

**TRUDGILL:** But there's been an incident notified, so at the moment the insurer's on standby, so it is still outstanding at the moment.

**DUGGLEBY:** I have every sympathy with you, Rose, but we also know of people who imagine that nothing's going to happen and then they're astounded that 6 months later they get a solicitor's letter and it's outrageous. And this actually happens, doesn't it Graeme? Everyone thinks it's okay.

**TRUDGILL:** Yeah.

**DUGGLEBY:** So I wouldn't read too much into it.

**TRUDGILL:** There's something like 571,000 whiplash claims made every year at the moment from legal firms following up after incidents saying well you can claim. I had a friend the other day, he had an incident in 2008 and the claims company was trying to get him to claim. So they can be outstanding for quite a while and claims made going back a long way for personal injury.

**DUGGLEBY:** Okay, Stephen has emailed us and he says he came to renew his car insurance but his wife was diagnosed with a serious illness and had been told not to drive. So he told the company "Okay, my wife can't drive. Can I keep my policy going with my wife as a named driver on the policy?" And the company agreed even though she doesn't drive, but he thought his premium would go down as a result of this. Now, first of all Malcolm, the procedure for notifying a company of in this case a named driver being unable to drive and obviously not being able to have a licence. What's the procedure they should follow?

**TARLING:** Well Stephen's done all the right things. As soon as he's found out that his wife's no longer able to drive, he's told the insurance company so they can make sure that their records are changed to reflect that and have kept the policy open so that if hopefully later on she's able to drive again, she can be reinstated back onto the policy.

**DUGGLEBY:** Okay Stephen, I gather you're on the line now?

**STEPHEN:** Yes.

**DUGGLEBY:** So you've done the right thing. But of course what you were thinking, I think, was getting a cheaper premium as a result of your wife not being on the policy. Is that right?

**STEPHEN:** Well that's right. I also rang a previous insurer to get …

**DUGGLEBY:** *(over)* A quote.

**STEPHEN:** … an alternative quote and was told that seeing my wife was no longer driving and not going to be on the policy, the insurance would go up by £37.

**DUGGLEBY:** I think that might be due not to your wife not being on the policy, but to the fact that, as you probably heard at the beginning of the programme, premiums have gone up hugely, Clare.

**STEPHEN:** No, no …

**DUGGLEBY:** No?

**STEPHEN:** … I was told quite specifically that if she was on the policy, it would be £37 cheaper, and they were prepared to put her on until the DVLA revoked her licence in which case the premium would then go up.

**DUGGLEBY:** I'll try and get Graeme to answer that. I must say that does seem pretty astounding to me.

**TRUDGILL:** Right. You get discounts depending on who drives on your insurance, and so if it's yourself and your wife driving, you might get a discount say of 30%. If it's just you driving, that discount may only be say 20%. And so I guess they think that you're a safer driver if your wife's sitting next to you or if she's driving sometimes instead of you. So the discounts do change and unfortunately the best discount is yourself and your wife driving.

**DUGGLEBY:** So I mean I would take what's on offer at the cheapest rate and then follow it up when hopefully your wife returns to health and is able to drive. But in the mean time, just to clarify Malcolm, once you've got a DVLA ban on driving, it's the DVLA who has to take it off, isn't it? They have to be satisfied with the medical evidence. It's actually nothing to do with the insurance company, is it?

**TARLING:** That's right. No as far as the insurance is concerned, as long as you've got a driving licence that enables you to drive and there's no restrictions or even sometimes when there are restrictions, that shouldn't be a problem as far as insurance is concerned. It's up to the DVLA to assess your suitability to drive depending on your medical condition.

**DUGGLEBY:** Okay, Charlie in Newbury, your call now. Still on car insurance.

**CHARLIE:** Right, change of address from one side of the city to another. At the moment I've got a 2 litre BMW and it's costing me just over £400 a year. To change, to move across the city, it's going to cost me another £620.

**DUGGLEBY:** That's in Newbury, is it?

**CHARLIE:** No, it's actually Birmingham area.

**DUGGLEBY:** Ah, Birmingham's a big area. Well do you know …

**CHARLIE:** But, but I've gone onto Moneysupermarket.com and with my union if I go to LV, they'll reduce it by £120, so instead of me paying £450 that I'm paying now, it'll cost me £330; but with the present company I'm with, they want another £600 out of me.

**DUGGLEBY:** Well I'm tempted to say - Clare is Money Supermarket - go for it. I mean yes, that's what you're there for, aren't you Clare?

**FRANCIS:** Yeah, absolutely. And I think the reason why there is such a discrepancy with your current insurer is all to do with the claims history that they have in certain areas, so that's why it can differ so much even if you're not moving very far. But, as you've discovered, not all insurers price the same way because they won't necessarily have had the same experience in the same postcode, so that's why you can stand to save by moving your policy to a different insurer. One thing to bear in mind though is I don't know how much longer you've got left to run on your current policy, but …

**CHARLIE:** About 6 months.

**FRANCIS:** About 6 months. Because check what the penalty is for getting out of it early. It sounds as though if you stand to make a £120 saving by switching that it's probably worth doing anyway versus a £600 increase, but just be aware there may be a penalty to pay for getting out of it early.

**DUGGLEBY:** Okay, I've got …

**CHARLIE:** Why do we get penalty?

**DUGGLEBY:** Well because the policy hasn't run its full term, unfortunately you don't get pro rata back. You know if you run a policy for 6 months and then cancel it, unfortunately you don't get half the premiums back, as I'm sure Graeme will explain. It just doesn't work like that.

**TRUDGILL:** Yeah insurers carry the risk for the whole year. There's a significant cost in setting the policy up to start with, so they don't all give an exact proportionate amount back, you're right.

**TARLING:** I think the thing is the longer you keep the policy running before you cancel it, the more you'll get back if you do decide to cancel.

**CHARLIE:** Alright.

**DUGGLEBY:** Okay, we must move on. One more car question, I think, before we change direction. This is an interesting question from an 85 year old lady who's the registered owner and keeper of a car, but she really doesn't want to drive anymore and she wants to insure her carer to drive for her. Now we discussed this before the programme started and she says, 'All our enquiries have run up against a brick wall.' Nice way of putting it. But there is no real method of doing this, is there, because the principle … the lady wants to drive but doesn't want to drive, if you see what I mean. The carer can be a named driver. What is the problem here, Malcolm?

**TARLING:** Well the problem, it's not really a problem as such, but the issue is that there's a change of risk. You're moving from an 85 year old person who's probably quite sensibly deciding, taking the right decision, I'm sure, that she doesn't want to drive anymore, and she wants to be driven or wants the vehicle to be driven by someone else. So the claims profile, the risk of that particular person is likely to be or could well be considerably different. So if you, for example, for argument's sake, if it's an 85 year old who previously drove the car and it's now going to be driven by say a 25 year old, the claims risk is going to be totally different. So there's nothing to stop this happening, but the insurer will have to charge the premium based on the person who's driving the vehicle.

**DUGGLEBY:** But is there any reason, Graeme, why you can't write a policy? After all, the lady is the owner and the keeper of the car.

**TRUDGILL:** She's get the insurable interest. She can add whichever driver she wishes. And maybe she’s got a specific policy aimed just for older people and they don’t usually rate for young drivers in which case I’m sure an insurance broker could arrange a policy which would easily include a named driver, carer to take her from A to B - no problems at all.

**DUGGLEBY:** I know you have a website that sort of does cater for unusual … May I suggest that this is one that really … I mean it can’t be the only person out there who comes to this decision.

**TRUDGILL:** Yeah, we have a find a broker website and helpline and I’m sure that could help. The website is biba.org.uk., the helpline 0870 9501790.

**DUGGLEBY:** On our website too. Clare?

**FRANCIS:** Just one thing I was going to say is it is important though that if the lady is going to stop driving that the policy will have to be in the carer’s name, won’t it, because otherwise if she’s a named … You can have a named driver on the policy, but the other person who’s on that policy can’t be the main driver, otherwise it’s what’s called ‘fronting’ which …

**DUGGLEBY:** Yes that’s what happens with young people sometimes.

**FRANCIS:** Yeah, exactly, with parents and young people. And that’s illegal, so it’s important that she does get this sorted out.

**DUGGLEBY:** I mean she has the insurable interest in as much as she owns the car. So I mean if the car’s written off but nothing else happens, I mean then clearly she wants the money. The carer isn’t going to get the money.

**TARLING:** But the key point here is that the risk and what the insurers are concerned is what is the risk of a claim arising? And a large part of that is down to the characteristics of the person behind the wheel, the driver of the vehicle. Now it may be that the carer's risk profile is very similar to that of the owner of the vehicle.

**DUGGLEBY:** Yes, it might be a 50 year old for all we know. I mean we're jumping to conclusions. But what you're saying, Graeme, is this is not an impossible risk to insure …

**TRUDGILL:** No, no.

**DUGGLEBY:** … because she says she can't get anywhere.

**TRUDGILL:** I think you can actually do it both ways round as long as the insurer is absolutely aware that the main owner of the vehicle is sort of excluded from being a regular driver. We can do them as a named driver or the main driver could have a policy set up in their own name with the insurable interest noted as the 85 year old lady.

**DUGGLEBY:** Okay, shifting onto a new subject with Stephen in Bexleyheath.. Stephen?

**STEPHEN:** Oh hi. Yes, I wanted to know the panel's view on product insurance. Every time you seem to buy white goods or electronic goods, you're now asked whether you want an extra insurance to extend the warranty. And it can be quite pricey, and the funny thing is the only time I tried to claim the issue wasn't covered as it was claimed as wear and tear. And also is there a comprehensive sort of product available that can cover all these things rather than having to take out individual insurances for each of your products?

**DUGGLEBY:** The blunt answer is yes there is, and in fact many people suggest that you should go, if you've got a lot of electrical goods, for one of these blanket policies. But you will be sold or they will try to sell you individual products. In general terms - I'll ask you Clare, first of all - the individual polices are not actually good value for money at all, are they, if you've got a number of products?

**FRANCIS:** Often they aren't and it's a bit like the PPI issue when that was sold at the sort of point of sale; that it's the ideal time to get people to sign up because you think you know you're buying something brand new, if something happens to it you know if you take this protection out you'll get the money back or you'll get the repairs covered. So it's an easy sell time, but it's not always the best policy. A) it could be more expensive than you need to pay and cost you more, but also the level of cover and what is protected by it can vary. So I would say don't be pressured into taking a policy out when you buy your white good or your electrical goods and take the time to actually have a look what else is available and what the blanket policies do offer and weigh up whether or not you …

**DUGGLEBY:** Malcolm, there are companies of course that do specialise in this field, and many of the companies do offer the underwriting for the individual products which are offered by the manufacturers or by the retailers; whereas in fact you can go direct to those companies and I think, am I right in saying, you can sort of get three products covered or five products covered?

**TARLING:** Absolutely, you can buy an extended warranty product that covers up to a certain number of products that cover up to six household items. I mean I think what Clare said is definitely right - never be pressurised into buying anything, let alone insurance. I mean the key thing of course is that very often you're paying for convenience, and when you buy your white good, your fridge or whatever it is, you may be asked if you want to take out extended warranty insurance and it could be argued that actually you're paying for the convenience of buying it there and then. The downside of course is that you need to understand exactly what it is you're being covered for. So in any doubt, go away, do your homework and come to your own decision about whether or not the product is right for you.

**DUGGLEBY:** And it's different, you've got to remember that for example if you're offered an extended warranty on car insurance, that's a different issue altogether because people get confused between repairing something that's gone wrong and replacing something that is you know of satisfactory quality or whatever. So it's quite a bit of a minefield there.

**FRANCIS:** And also you might decide not to go for it because obviously what we've seen is we've seen the costs of electrical goods and white goods come down so much that, depending on what happens, you could find that if it's accidental damage or flood or something, it's covered by your home insurance, and so you might decide that it's a policy not worth paying out and that you're prepared to take the risk.

**DUGGLEBY:** *(laughing)* Well I bought a couple of mobile phones last week for 20 quid and I was offered insurance. I just fell about laughing. I mean the insurance was about 18 quid or something for these two phones, which it would probably cost me 10 quid to replace them in a couple of years time.

**STEPHEN:** That's the thing that I've noticed.

**DUGGLEBY:** Anyway, we must move on because we've got a lot of questions. The next one's on payment protection. Both Derek and Peter, but first Derek - your question about payment protection.

**DEREK:** Yes, I realised I was paying payment protection on a credit card. I wrote to the bank, Co-op, and they made a repayment to me. And I looked at it and they said (because it was actually lower than I thought) they said it goes back to October 2000, whereas I think I've had the insurance and the credit card since about 1994. They say their records only go back to October 2000 and they asked, they said they could look at it again if I could provide the records going back before 2000, but actually no I don't have my credit card statements going back.

**DUGGLEBY:** Alright, Derek, well you've made your point. Peter's got a similar one from Kingsbridge in Devon. Peter?

**PETER:** Yes that's right, I wonder how far back we can go. I was sold PPI in between 1983 and 84 - I'm not quite sure when - to expand my business, and the bank manager said he would lend me the money provided I took out this PPI. And he lent me £30,000 and I was then paying the PPI monthly until 1997 when we sold the business.

**DUGGLEBY:** Again, so you fall within the same sort of bracket, which is 1990 to 97 seems to be the issue. Right, I don't know who can give us some guidance on this. It sounds to me as though there's what's called a de minimise or a limited period, isn't it, Clare?

**FRANCIS:** Yeah, I think ordinarily when it comes to making a claim for sort of compensation if you believe you've been mis-sold, as an individual you can claim going back 6 years. Now in the case of PPI - and I think it was the same with bank charges - this was lifted to allow people to claim back further beyond that. However, insurers, banks, building societies, you know the firms that you've bought products from, I believe only have to keep the records, they're only obliged to keep hold of the records for 12 years, so that could be why at the moment we can only back as far as 2000.

**DUGGLEBY:** Unless you can prove it.

**FRANCIS:** Unless you've got the documentation to prove, go back beyond then.

**PETER:** Well as it happens, I have got the code numbers that go back as far back as about 84, the bank statement.

**DUGGLEBY:** Not sure. Code number?

**TRUDGILL:** I would suggest going to the Financial Ombudsman Service. They're dealing with absolutely thousands of these and they should be able to support you in how to deal with the older claims. And also the query about the bank manager that sort of insisted you take out the PPI. There's something called the Lending Standards Code now and that should prevent that sort of thing happening in the future.

**PETER:** Right. How do I get hold of the Financial Ombudsman?

**TRUDGILL:** Well you can go on their website.

**PETER:** Oh website.

**TRUDGILL:** We’ve got their telephone number, which is 0800 023...

**DUGGLEBY:** *(over)* You won’t lack for help, I don’t think, on this one. But it’s an interesting point that there is this question of how far back you can go. In general terms, talking about insurance generally, I mean insurance policies are valid for a year, obviously because that’s what usually happens. But Malcolm, in general terms an insurance policy remains open for quite a long time in anticipation of possible claims going backwards. I mean I don’t know whether there’s any general advice on that?

**TARLING:** Well it can do. We just heard earlier from the caller who’s been involved in an incident and as far as the insurer’s concerned, the previous insurer, that policy still remains open because they’ve got to be ready to face a claim from a third party which could come weeks and months later on. I mean insurers,  there are particular areas in sort of the field of asbestosis if you like, they can go back many, many years, decades, because you can be exposed to asbestos but the symptoms may not become apparent for 10, 15, 20, even 40 years after the policy ended. So there are sort of long-term liabilities that all insurance companies face depending on types of policy.

**DUGGLEBY:** Okay.

**PETER:** Yes, in fact we didn’t know - if I can just quickly say - we weren’t aware of any protection from such as yourselves when we gave this up in 97, so the limitations had already run out by then.

**DUGGLEBY:** Okay, fair enough.

**PETER:** Thank you very much.

**DUGGLEBY:** Thank you for your call. Hassan in Middlesex, your call?

**HASSAN:** Hi. I recently bought a small business and, according to my contract, the leasehold contract, I had to pay for the buildings insurance myself. I initially did it through whoever the landlord was dealing with previously. This was in July 2011. I recently had to buy public liability insurance from a different company, which I went online to do. They were very cheap. Recently they got back into contact with me saying that if I wanted to transfer all of the insurance - that's the buildings and the public liability with them - it would actually cost me less. Now my question is that having bought two sets of different insurance from two different sets of service providers, if I cancel one, the previous one which was taken out in July 2010 and move it over to this one here, would I recoup the money which I've already spent?

**DUGGLEBY:** I'm not sure we can answer that one specifically. I mean probably not, I would think, Graeme?

**TRUDGILL:** No, no, I mean you've had a contract in place. The insurer would have honoured any claims that have come in, so I don't think you can have a refund from the expired policy. But if you have two policies concurrently at the moment, then you could cancel one of them and hopefully would get a return premium, but you should discuss that with the insurers first of all.

**DUGGLEBY:** Okay. And onto Kenneth now in Eccles.

**KENNETH:** Hello. My query is when I was applying for an insurance quote for my house, they said, "Are you so many metres distance from water?" So I said, "I don't know." So while I was on the phone, they went on Google Earth and measured it and they said, "You're under 100 metres from water." Then I went to a different company and they didn't ask that, so I went through them. But I was wondering if you're going to take consideration of how far away you are from water, should they not take into consideration the fact that I'm on a hill, so there's a slope, or the soil type or stuff like that? How come they can say certain aspects …

**DUGGLEBY:** *(over)* Okay, Kenneth, we've got the point and we've actually had this point made by several other listeners. The one I'm going to read out now is Ian who's emailed us saying that he was going to renew his policy with his insurance company. He’s been with them for 17 years. Up goes the premium 79%. He complained and they said, “Because you’re now in a flood-ridden area.” But we haven’t had any trouble for years, there’s no risk here. But there is an answer to what’s going on and Malcolm’s going to give it to you.

**TARLING:** Right, well the answer is that - sorry just going back to Kenneth’s point - insurers do take into account lots of different factors. They will take into account the fact you live on a hill, they’ll take into account you live near water and what the flood risk is. They’ll also take into account the soil type, which is why subsidence is a lot more expensive to insure against in the South where it’s much more likely than in Scotland where it’s much less so. And in terms of the flood risk, yes prices generally have gone up, particularly if you live in a flood risk area, because insurers are getting much more accurate information about the flood risk now than ever before. It’ll probably be absolutely no consolation to you or anyone else out there to know that in the past insurers probably undercharged for flood risk because they didn’t have the sufficiently accurate information. This is becoming available now. The Environment Agency do much more detailed assessments of the flood risk, and as we get this information it does appear that flooding is much more likely to occur than ever before, particularly in areas that may not have a history of flooding.

**KENNETH:** Well from my experience with this lady, she just went when I was on the phone on Google Earth and measured it from point to point, and the water featuring consideration is a canal.

**DUGGLEBY:** I take your point, Kenneth. The thing is that all these sophisticated measures that you’ve got water here and water there and water everywhere, the insurance companies have now got, as we’ve been told, they’ve got the information. If you don’t like it, I suspect the best thing to do is to go, Clare, onto one of the websites and say well what else is available because they’re not all going to treat you the same?

**FRANCIS:** Yeah and as Kenneth’s found … You know the second insurer he went to didn’t ask the question or didn’t sort of penalise him for it, so again it’s the sort of …

At the moment you're obviously not high enough a risk that it's flagging on every insurer's risk pricing, but it is something to be aware of. And as Vincent was saying, it's all down to sort of technology, you know technological developments and the information.

**DUGGLEBY:** And the trouble is, you know as Ian made the point, he says well you know we're not in any trouble, there's only a slight risk. Well the trouble is yes that's what he thinks, but the insurance company just might take a different view and in a sense you've just got to shop around for it. I hate using the word shop around. We're going to take a couple more emails now. They're still coming in like nobody's business. This one's on household subsidence. We mentioned that a moment ago, Malcolm did. This house has been put right, £3,500 6 years ago, but on trying to find whether there was a cheaper policy because the premiums have gone up 45%, I seem to be trapped. Are you trapped by subsidence? I have a funny feeling you are restricted, Malcolm?

**TARLING:** Restricted, yes; trapped, no. Restricted in that there are going to be some companies out there who will not be over keen on taking on a new risk with a history of subsidence, but at the very least they'll want to know what was done to alleviate the problem, what the other risks are and how long ago subsidence first occurred. So you're always best wherever you possibly can - and I appreciate there's a restriction in choice here - sticking to your existing insurer. But there are specialist policies available now that are designed specifically for properties with a history of subsidence.

**DUGGLEBY:** So if you've paid or if the insurance company's paid, it's been put right, there's no further problems, would you normally Graeme expect to be restored to a normal quote?

**TRUDGILL:** It wouldn't be normal for the whole market, but we've got specialist insurance brokers that focus purely on insuring previously underpinned properties, for example, so they would be able to offer competitive cover for that which gives you additional choice. So, yes, it is possible to get that cover in the market. You don't have to stick with your existing insurer for evermore.

**DUGGLEBY:** Okay and one final question. This is a lady who … a gentlemen who had a renewal premium, which was way up on what he'd paid the previous year. I won't name the company. He then went onto a website. And, do you know what Clare, he put the same details in and that same company quoted him a premium £100 cheaper. And he says, 'Is there a catch or what's going on?' Very quickly.

**FRANCIS:** Yeah the reason for that is that companies have different pricing depending on whether they're trying to acquire new customers or retain existing customers, so that's why sometimes you can be quoted two different prices.

**DUGGLEBY:** And no problem, just take the cheaper price?

**FRANCIS:** Yes, definitely.

**DUGGLEBY:** Okay, jolly good. Right thank you indeed. That's Clare Francis from Moneysupermarket, Malcolm Tarling from the ABI and Graeme Trudgill from the British Insurers Brokers Association. Paul Lewis will be here with Money Box at noon on Saturday and I'll be back same time next Wednesday afternoon with Money Box Live taking your questions about holiday money.