

Quality cover for luxury electric cars

'Electric vehicle' used to mean 'milk float'. Today, the phrase is more likely to bring to mind luxury, innovation, and expense.



With even the most prestigious car manufacturers going green and the government offering incentives for purchasing an electric vehicle (EV), it's likely your clients are seriously considering making the switch if they haven't already. So how do you make sure their insurance is as high spec as their motor?



Helen Furlong, Business Development Executive, DUAL

The Green revolution

In November, Bentley announced that all their vehicles will be fully electric by 2030. They are just the latest luxury motor brand to ditch the combustion engine. Porsche, Jaguar, Audi, and Mercedes Benz already have electric cars on the road, while Alfa Romeo, Jeep, and even Maserati are developing their green vehicles as you read.

These vehicles are environmentally-friendly, (mostly) beautiful, and suitably luxurious. They also come with a luxury price tag. Nevertheless, registrations of EVs in Ireland have been leaping year-on-year since 2016, and we expect to see an influx of new EVs to be insured this year. This is thanks, in part, to the ever-increasing variety on the market. It is also thanks to the government incentivising consumers to choose green.

Financial incentives

The government has set a target of having close to 1,000,000 electric vehicles on our roads by 2030. That's equivalent to one-third of the cars currently registered in Ireland. In addition, they aim to end the sale of purely fossil fuel-powered cars by that same year. As a result, they need us to choose electric vehicles over petrol and diesel alternatives - and they are willing to pay us for it.

Currently, they are offering grants of up to €5,000 towards the cost of an EV, and a further €600 to help pay the cost of installing a home charger system. They have also introduced tax breaks, with Benefits in Kind (BIK) exemptions available to people who drive a company EV for private use. Specifically, if the car costs up to €50,000, the employee incurs no BIK charge.

Expensive car, expensive claims

As a result of these incentives, more and more of our brokers' clients are buying electric vehicles. Many of these clients are businesses, HNW individuals, or business owners who have purchased an EV for their company car. And as the number of vehicles goes up, so has the number of claims we've received.

In this respect, EVs are no different from their fossil fuel cousins: expensive cars tend to result in expensive claims, and they need robust insurance to cover them. The smallest claims we have paid out for damaged EVs are in the hundreds of euros, for chipped windows and cracked windscreens. But the numbers become significantly larger when accidents or collisions happen. For example, one of our brokers' clients was hit from behind while stationary: their Tesla was shunted into a wall, and the resulting damage cost over €25,000 to repair.

Cheap premium = cheap policy

Naturally, clients will always want the best value insurance possible. This doesn't mean that they should be happy with the cheapest - or that the cheapest is what you should offer them. Cheap premiums might look good on paper, but when your client's Tesla has been shunted into a wall, they may not cover the bill.

DUAL, on the other hand, offers comprehensive cover for luxury electric vehicles. If your client has paid out tens of thousands for a vehicle they love, they want to keep it in top condition - and they want to know it is fully protected should an accident occur. DUAL can help.

We are specialist insurers with deep experience covering electric vehicles and luxury cars. Our cover includes Agreed Value reinstatement as standard for every vehicle we insure, and a like-for-like courtesy car should your client need it. Get in touch to find out more.

Helen Furlong is Business Development Executive at DUAL, the world's largest international MGA. DUAL Private Client specialises, amongst other areas, in High Net Worth personal insurance in Ireland and are backed by AXA XL, a division of AXA, one of the world's largest insurance groups. t: 01 6640001 / e:enquiry@dualgroup.ie

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