

## **INSURANCE INCENTIVES FOR COMPLETION OF THE ADVANCED DRIVING TEST**

### **BACKGROUND**

The Driving Standards Agency (DSA) is one of the executive agencies that form the Motoring and Freight Services group, within the Department for Transport (DfT). They have statutory responsibility for setting standards and conducting theory and practical driving tests. They are also responsible for:

- the statutory regulation of driving instructors and trainers
- the promotion of voluntary registers and non-statutory activities to improve driving standards

As part of their role in improving driving standards and increasing road safety they endorse a number of schemes designed to facilitate better and safer driving, particularly among vulnerable newly qualified drivers.

### **NEW DRIVERS - PASS PLUS**

The Driving Standards Agency (DSA) encourages all new drivers to take a Pass Plus course after successfully passing the practical driving test. It is a training course designed by the DSA, specifically aimed at new drivers, providing them with more experience of driving particularly in conditions they may not have experienced while learning such as bad weather and night time driving.<sup>1</sup> This will ultimately increase their confidence on the roads and reduce the risk of accidents.

Some insurance companies offer incentives for successfully completing the Pass Plus training, through offering a discount on the premium. Churchill Insurance, for example offer a 5 per cent discount<sup>2</sup> but this does vary among providers and it is up to the individual to shop around.

### **IAM ROADWISE**

IAM Roadwise is an initiative driven by The Police Service of Northern Ireland (PSNI), the Northern Ireland Fire and Rescue Service and the Western investing for health partnership. Its aim is to educate newly qualified drivers in order to reduce the number of deaths and injuries which are particularly high in this group. It is believed that through educating and incentivising (through saving money on insurance) young

<sup>1</sup> Directgov (2010) "About Advanced Driving and Riding" [online] accessed 16/04/2010 available from: [http://www.direct.gov.uk/en/Motoring/LearnerAndNewDrivers/Passplusdrivingcoursefornewdrivers/DG\\_182847](http://www.direct.gov.uk/en/Motoring/LearnerAndNewDrivers/Passplusdrivingcoursefornewdrivers/DG_182847)

<sup>2</sup> Churchill Insurance (2010) "What is Pass Plus?" [online] accessed 16/04/2010 available from: <http://www.churchill.com/churchillguide/pass-plus.htm>

drivers that they will become safer drivers<sup>3</sup>. IAM Roadwise is a one day course involving the combination of a classroom based workshop and a car based driver coaching session. The IAM claim that the cost of the course (£99) will be covered by the savings made on insurance which they suggest will be up to a 45% saving<sup>4</sup>. In addition, those who reside in the Western Health & Social Services Board area, can claim a 75% reduction in the £99 fee<sup>5</sup>.

### **ADVANCED DRIVERS**

The DSA also encourage more experienced drivers to consider doing further training, leading to an advanced driving test which they believe will increase their safety on the road. There are a number of organisations which offer an advanced driving test and the DSA endorses and monitors the standard applied by each of these. Organisations offering the advanced driving test include:

- British School of Motoring
- Diamond Advanced Motorists
- Institute of Advanced Motorists (IAM)
- RoSPA Advanced Drivers Association

As with the other courses, the levels of discount will vary and take account of all relevant factors, however, “the industry is understood to be willing to offer to reduce premiums by about 25 per cent for drivers who have completed the course”.<sup>6</sup> Adrian Flux Insurance Services, for example, offer at least a 25% discount off their renewal premiums i.e. existing customers.<sup>7</sup>

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<sup>3</sup> (IAM) Institute of Advanced Motorists (2010) “IAM Roadwise Ireland” [online] accessed 16/04/2010 available from: [http://www.iam.org.uk/table/iam\\_roadwise\\_ireland/](http://www.iam.org.uk/table/iam_roadwise_ireland/)

<sup>4</sup> Ibid

<sup>5</sup> (IAM) Institute of Advanced Motorists (2010) “How do I get started” [online] accessed 16/04/2010 available from: [http://www.iam.org.uk/iam\\_roadwise\\_ireland/howdoigetstarted.html](http://www.iam.org.uk/iam_roadwise_ireland/howdoigetstarted.html)

<sup>6</sup> “New test could mean cheaper car insurance”. The Times (London) May 7<sup>th</sup> 2008.

<sup>7</sup> “Advance driving delivers ‘real’ insurance discounts” [online] accessed 16/04/2010 available from: <http://www.advanced-driving.co.uk/news/insurance-discounts/>

