

HOUSE & VEHICLE INSURANCE IN PORTUGAL

By Steve Robinson
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My friend, insurance fundi/expert & fellow member here Ged Heaney sometimes says “why would you buy bread from a butcher or meat from a baker?” and of course you wouldn’t so why would you buy insurance from a bank?

A good example of why you wouldn’t is another of my friends bought his first car policy here from his bank & come renewal time, he asked if my insurance broker (who incidentally is not Ged) could give him a quote and that quote was with the same insurance company, for the same vehicle, same cover & same driver but was one sixth of the renewal premium his bank had quoted him.

So the moral of that story is always to buy insurance from an insurance broker.

Whilst on the subject, I’ll add that we like many others were hit by the 2017 Pedrogao Grande firestorm & fled the fire. When we returned, the first thing we did after checking the damage & losses was to contact our insurance broker & company to tell them we’d be making a claim.

Within a few hours we had a text message back to tell us the insurance assessor would be with us at 0930 hours the next day. He arrived on time, with our agent, a builder & not one but two translators. The assessor told me to show him absolutely all the damage we were aware of & assured us they were going to “make things as easy as possible for us”.

Within days, we had a significant payment into our account & a message to say that it was an interim payment & to let them know if we found more damage or needed more money & all of our friends who had bought insurance from brokers had similar experiences whilst all of our friends who had bought insurance from banks either had their claims partly refused and/or had to argue for months on end to get any payment whatsoever.

So the moral of that story is (again) always to buy insurance from an insurance broker.

Motor vehicles:

Whilst it’s not impossible to buy fully comprehensive cover for older cars, it’s not easy & most insurance companies will only offer such cover on cars less than 6 years old & the vast majority of older cars can/are only insured for 3rd party only & does not even cover fire or theft so don’t be surprised your insurance broker can only offer you that on older cars or motorcycles.

Whilst most policies only offer 3rd party cover, the vast majority do include breakdown cover and in the event of a breakdown you just look on the back of your insurance sticker in your windscreen, dial the emergency breakdown number you see there and ask for a recovery vehicle to come out to your location & deliver the vehicle to your preferred garage or your home & the same policy will also usually allow you a free hire car for a few days at least.

House insurance:

Is fairly standard & similar to what most of us are used to but in addition, they very often/usually cover repair costs of things like kitchen white goods that are less than a certain age (in the case of my policy which is with Allianz it’s 10 years). In the event of such items breaking down, all you

need to do is contact the insurance company, give them the details of the item & they send out a qualified engineer to fix it. Then you pay him, send his receipt to the insurance company & they reimburse you the costs.

Accidental damage to computers, phones & devices are often also covered and many policies also pay a death benefit to policy holder and/or spouse should one of them die. In the case of our policy, it's about €2500 per person which is enough to pay for a basic cremation & ceremony.