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GUIDE TO GENERAL INSURANCE

Introducing you to Home Insurance

Whether you live in a one-bedroom flat or a five-bedroom detached house, you will have worked hard to be able to afford your home so it's important to make sure that you have the right insurance in place should something go wrong.

What if there was a fire or the roof was damaged in a storm? Would you be able to pay for the repairs? And where would you live if your house was uninhabitable? Your home also contains some of your most valuable and personal possessions. Could you afford to replace your flat screen TV or your jewellery collection if you were the target of burglars?

Every home insurance policy will have limitations and exclusions, so it's vital that you know what's included.

For example, some insurers don't cover maintenance, wear or tear or damage that happens gradually over a period of time, such as damp or rot. And there could also be an excess on each claim.

That's why we believe you deserve the right advice for you, and help in choosing the right home insurance for your needs.

Two Types to choose

There are two types of home insurance, Buildings and Contents cover, and also cover that can be a combination of the two.

Buildings Insurance

Covers the structure of your home, the roof, walls and windows. It also includes the permanent fixtures, such as the kitchen units and the bathroom suite.

Not all Buildings insurance policies are the same as policies do vary, but most typically cover loss or damage from the following, fire, storm, flood, subsidence, burst pipes, theft and falling trees.

If you have a mortgage on your property the lender will almost always insist that you have adequate insurance. When you are buying a home, you should make sure you have buildings cover in place when you reach the point of exchanging contracts, as you then have a financial interest in the property.

You should always have enough insurance to cover the rebuild cost of your home. In other words, if your property burnt to the ground, the insurance should pay for it to be rebuilt. The rebuild cost should be noted on the mortgage valuation. It is important to work out an accurate rebuild cost, if it is too low, should you need to claim, you could be left with an insurance shortfall - and a big bill.

If you live in an unusual or listed property, the rebuild costs can be more difficult to calculate and you might need to seek professional help from a surveyor.

Contents Cover

You don't just need to insure the structure of your home; you can also protect its contents against loss or damage caused by theft, fire, storms, lightning, flooding or other water leakage, as well as explosions or earthquakes.

The contents of your home might be more valuable than you think. The average family often under-estimates the true value of their possessions, so it's important to get the figure right.

The best way to make sure you have adequate cover is to walk round your house room by room and make an inventory of your possessions. Jewellery, computers, iPods - they can all add up to quite a sum. And don't forget the contents of your shed. Contents also include clothes, furniture, carpets and curtains. If you are unsure, it might help if you think of the things you would take with you if you were to move house.

There may also be limits on the pay-out for single item or valuable items such as rings, bicycles or ornaments. You should always let us know the full details of any valuable items, so we can help to advise which insurers could pay out in the event of a claim.

Please ensure to review your policy documents carefully to check the terms and conditions.

New for old

Contents insurance is usually arranged on a new for old basis. In other words, if your TV is damaged by fire, the policy will pay out for a new one. So, if your TV is 10 years old, it will only pay out its current value, not its price when it was new.

Accidental damage is a popular add-on because it insures your possessions in case of an accident, perhaps if you spill red wine on the carpet or knock over a valuable ornament. Personal possessions insurance can also be useful because it could insure items such as mobile phones, iPods, cameras and laptops when you take them out of the home.

An excess to reduce price

The excess on the policy is the amount of money you commit to pay yourself should you need to claim. For example, if your policy has a £250 excess, and your valid claim is for £1,000, the insurer will pay you the balance of £750. Many insurance policies have a compulsory excess, and you can choose to pay a voluntary excess on top. Usually, the higher the excess you commit to, the cheaper the policy premium will be. Before you buy your home insurance, always check how much excess you could afford to pay should you need to claim, if you don't have the money it could impact on any work you need to do should there be damage to your home for example from a flood, fire or subsidence.

If you are a tenant

Tenants don't need to worry about insuring the building, that's the responsibility of the landlord, but they should certainly consider insurance for the contents of your rented home. It's often a good idea for tenants to extend their policy to include accidental damage.

Students often overlook contents cover when they are going away to university, insurance is often the last thing on your mind. But just like everyone else students will want to protect their belongings in case of fire, flood and vandalism - even burst pipes. Some insurance policies cover student belongings when they are away from their home, and it's worth checking existing cover before buying a separate policy.

Insurance for unusual properties

Most homes in the UK have brick walls and a tile roof, but many properties are more unusual. If your house is not of a standard construction, there are specialist insurers out there who could offer cover. A range of property styles are defined as non-standard, including homes built with wattle and daub, houses with a timber frame and even properties with a flat roof, or perhaps it's a listed building or has special rebuilding instructions.

Buildings insurance is vital to protect the structure of your investment property.

Insurance protection for landlords

The responsibilities of a landlord are many and varied - and include insurance. Buildings insurance is vital to protect the structure of your investment property. You should also pay special attention to your contents cover, particularly if you let a furnished or partly furnished property.

Landlords might also want to consider extending their cover to include rent guarantee insurance and legal expenses cover. It could help to provide additional peace of mind.

Paying the right price

When it comes to paying for home insurance you really need to balance the price you pay for your policy against the amount of cover you have in place. As with everything in life cheapest is not always best and you might end up finding yourself under-insured or in a worst case scenario with no cover at all, just because you looked to save a few pounds a month.

Price comparison websites give you a good idea of what you could pay, but do you know what is covered and if you can claim?

This is where taking advice could help.

Selecting the right home insurance policy

We can help you find the most suitable quote for your home insurance, based on your individual needs and circumstances. But we need to know something about your property before we can start the search. For example, some questions we might ask could include asking when the property was built, whether you live close to any tall trees or water and the type of alarm and locks in your home.

You will also need to give a sum insured for both buildings and contents.

We can help to find competitive quotes for cover. But if you would like to add accidental damage and insurance for personal possessions, simply tell us and we can add them to your cover.

There is also an option to spread your payments over the year, but this can sometimes mean an additional fee on the premium you are quoted when using on-line price comparison websites. We will always disclose the actual price you pay and aim to find you a competitive premium that helps to meet your needs.

Remember that you should always be full and frank with your answers. It is always best to disclosure any relevant details to the insurer, to reduce the risk of ending up with an invalid policy where an insurer refuses to pay out in the event of the claim.

If you have any questions or are unsure about what you need to disclose, we can help you.

Our aim is to identify with you what your needs and circumstances are before finding a range of quotes from insurers. We will take price into account, along with other factors such as level of cover, specific terms and conditions and excess.

Advice pays

Remember to talk to us about how we can help with your home insurance needs. Not all home insurance policies or criteria are the same and not all homes are the same. We can help to make sure you have the right policy with the right cover at the right price for your individual need and circumstances.

We can also look at what existing cover you have in place, to see whether those policies are still suitable for your needs

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