

## A Guide to Home Insurance

Insurance can be a very technical subject and it's easy for insurance providers to use jargon that you, the customer, doesn't necessarily understand. We will attempt to break down the various sections of a standard home insurance policy. We understand that everyone's requirements are different, so please don't hesitate to contact us to discuss yours.

Typically, the first few sections of any policy will be concerned with insuring physical property – tangible assets that can be repaired or replaced. This is usually the buildings, contents and personal belongings whilst away from the home. In addition, a home insurance policy will include certain aspects of liability cover, which we will detail below.

Buildings cover is usually only required if you own your own home and if you have a mortgage, you will be required by your lender to have adequate buildings insurance. So, what is “adequate”? When insuring the buildings, the sum insured should be the amount it would take to rebuild the property, including site clearance, architects', solicitors' and all other fees. It isn't the market value of the property, which may be higher or lower than the rebuilding cost. If you aren't sure about the rebuilding cost, a surveyor can help. Alternatively, the Royal Institute of Chartered Surveyors has a [handy online calculator](#).

The term “Buildings” means the main structure of the home and any permanent fixtures and fittings (for example, outbuildings, fences, gates etc.). The rule of thumb is that if you can take it with you when you move house, it isn't defined as part of the buildings.

If you insure the buildings, you will also be covered for your liability as a home owner. So, if your negligence causes injury to a visitor to your home and a subsequent claim against you, your policy will respond.

One of the extra benefits under the buildings section is for the cost of alternative accommodation if your home can't be lived in as the result of an insured event. Typically, the amount payable will be up to a maximum of 20% of the sum insured. This, however, may vary from insurer to insurer, so it's important to check your policy.

“Contents” are defined very broadly, but will include household goods and personal belongings, money and credit cards, pedal cycles and even heating oil (it is important to note that many of these sub categories will have inner limits. Again, it's important to read your individual policy wording). Not all policies include cover for personal belongings whilst away from the home so you will need to decide if this is a requirement, but we will go through all your options at the quotation stage.

Included within the contents section is your own personal liability as well as your liability as an occupier. Many householders don't know they have this but it is a very important aspect of the cover. Imagine if your dog ran out on to the road and caused an accident – this is something for which you could be personally liable.

Again, there are various useful extensions, usually included for free, such as a temporary increase in the contents sum insured around holiday periods or contents temporarily removed from the home to halls of residence or student accommodation.

It's important to advise us if you use your home for any business purposes. Whilst it is usually possible to quote in such circumstances, if insurers aren't aware of it at the outset, they may be within their rights to later turn down a claim.

In addition to the cover available under your household policy, we have a range of optional additional products which will dovetail perfectly to give you additional cover for Legal Expenses, Loss of Keys and Excess Protection. We will discuss the value of these options with you at the quotation stage.

When applying for home insurance, we will ask you a series of questions which will determine the premium and cover available. It's important to answer these honestly and to the best of your knowledge, providing complete and accurate information. This applies not only when taking out a policy but also at renewal or if you make a mid-term amendment to your policy.

As with any contract of insurance, your policy will contain exclusions and conditions. It is very important to familiarise yourself with these.

To speak to a member of the Caulfield Team about your home insurance, you can call into one of our branches or request a call back. If you wish to call us, you can do so on 028 8676 6999.