

## INFORMATION SHEET

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### Household Contents – Are you confident that your level of cover is adequate?

Our homes and their contents represent a lifetime's work and investment for the majority of us and it seems perfectly reasonable that we should trust our insurer to put things right in the event that we should suffer loss or damage. "Yet," says Neil Franklin, Managing Director of Chris Knott Insurance, "after twenty years in the business, I still see the results of woefully inadequate protection, often arising from a lack of understanding on the part of the insurer or adviser as to what the client actually requires".

Home insurances generally offer very wide protection, but they are ultimately legal contracts having terms and conditions, which protect the insurer in the event of a loss. These are often for good reason, but how many of you have ever had even the basics explained? You might only have had a conversation with a call centre when you arranged your cover, or ticked a box on a mortgage application; but did anyone bother to check your requirements, beyond asking whether £x,000 would be sufficient for your needs?

Assessing the amount to insure is very difficult. Buildings are less of a problem if you have a mortgage, as even the most basic valuation survey is likely to suggest a reinstatement value for insurance purposes, based upon the recommendations of the Royal Institution of Chartered Surveyors. But how many of us subsequently refurbish kitchens & bathrooms, or replace windows & doors, without even considering whether this increases this reinstatement value?

And contents? Perhaps Neil's own experience serves as a useful example. "My family moved five years ago, into an unexciting, modern estate home. Like most people, I had never really stopped to consider exactly what our worldly goods were worth, so I spent an hour going round the house, totting up, room-by-room. We have no antiques, paintings or silver and only a few items of inexpensive jewellery, yet I was staggered to find that our contents & possessions came to something slightly in excess of £50,000. My policy at that time covered £35,000 – the limit suggested by the insurer for this type of property, although it was still my responsibility to affirm that this limit was adequate!"

What if you *do* have some nice furniture, paintings or happen to be guardian of the family silver? Have your policy's definitions been explained relating to 'valuables'? Are the overall totals and limits for individual items sufficient?

We could go on and on, but there is clearly more to this 'straightforward' class of insurance than meets the eye. Chris Knott Insurance have spent some time developing ways of assisting clients to make informed choices and you can download a Contents Valuation Guide from their website at [www.chrisknott.co.uk](http://www.chrisknott.co.uk) or give them a call at renewal on 0800 917 2274 to discuss your individual needs.