

The facts about unoccupied property insurance



What you need to know to help protect the family's assets

When a householder leaves their property empty, either because they have made the decision to go into residential care, or in the event that the householder has passed away, their former home is at risk of being uninsured for serious damage which could occur.

Most home insurance policies will accommodate holidays or other absences of up to a few weeks at a time without affecting policy cover. However, for any prolonged absence, whether planned or not, **existing home insurance policies may be severely restricted in cover or even voided completely.**

How could the existing policy be affected?

After a specified time (most commonly either 30 or 60 days), the standard policy exclusions applying to a property when it becomes unoccupied will automatically come into force. These do vary, but the typical exclusions are as follows:

- Theft
- Malicious damage
- Escape of water from fixed installations
- Burst pipes
- Accidental damage

Excluded

Void?

If the house is going to be unoccupied for a longer period or indefinitely, the insurer is likely to apply further restrictions (taking cover down to Fire, Lightning, Earthquake and Explosion cover only) or cancel cover completely. It is therefore vital to speak with the insurer to find out what exclusions are to be applied and when.

What if the insurer aren't made aware?

If the proposer or family fail to notify the insurer of a change in residency status of the property, the policy will most likely be voided with effect from the date of the change. In the event of a claim, the only cheque likely to arrive from the insurer is a refund of premium to reflect retrospective policy cancellation.

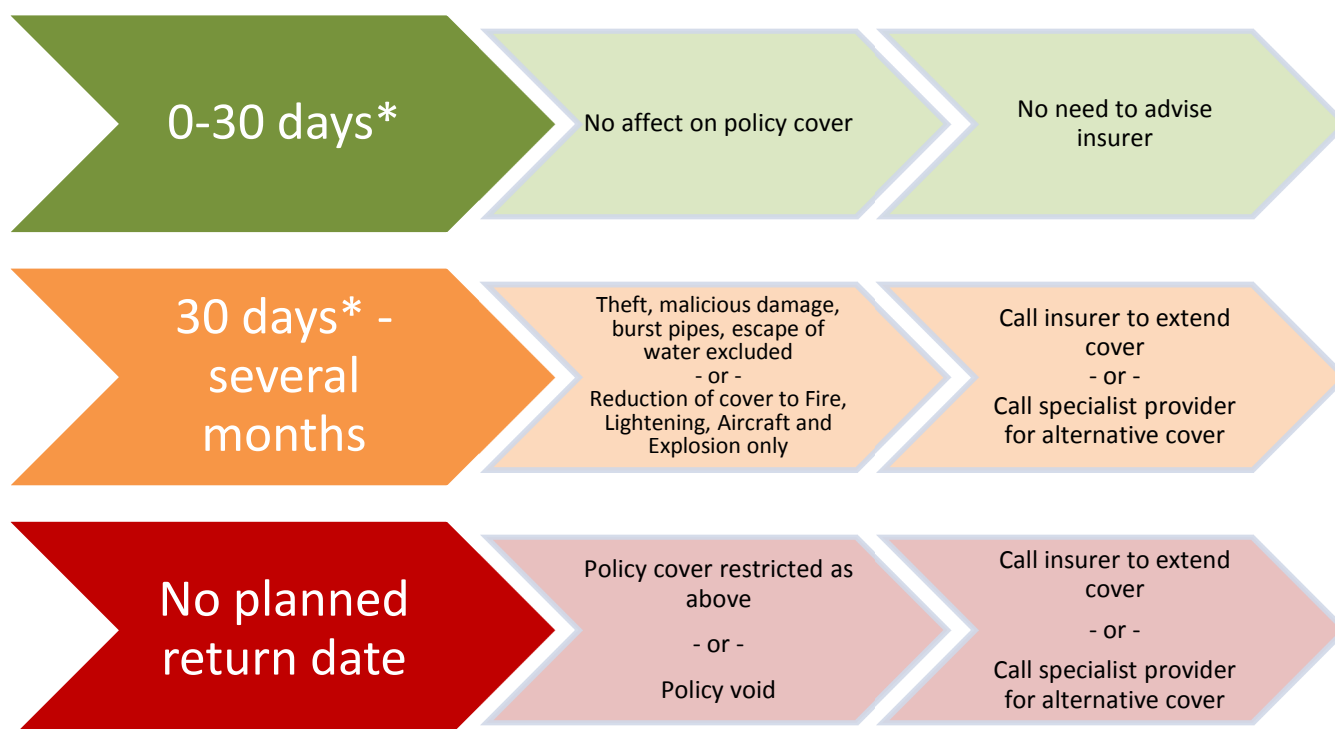
Beware of 'Standard Terms'

If you tell an insurer that a property is empty and they confirm that they are happy to continue cover on 'Standard terms', you might be forgiven for thinking that all is well. Unfortunately, this may not be the case. Under the standard terms of an insurance policy, the exclusions mentioned above will automatically be applied when a property is vacant for over a specified period or permanently, so if standard terms are confirmed, what you have achieved is likely to be restricted cover, leaving the property vulnerable to potentially huge uninsured losses.

An insurance policy is a legal contract. Unless the policy is extended by endorsement to provide additional cover, there is no additional cover. Therefore if you manage to negotiate an extension to the policy it **must** be confirmed in writing.

Do we need to act?

What restrictions apply and after how many days will vary from one insurer to another so reference to the existing policy is needed. The most likely scenarios are shown below.








***Important note**

The number of days after which policy cover is restricted varies from one policy to another. It is usually either 30 or 60 days, although in some circumstances applies on day 1.

Unoccupied Property Insurance from Bickers Insurance Services

In the (likely) event that full cover cannot be obtained from the existing household insurer when a property becomes empty, you should seek a quotation for an unoccupied property insurance quotation from Bickers Insurance Services.

-  **Fast service** – Call to cover in one telephone conversation in most cases.
-  **Helpful attitude** – We aim to make it as quick and as easy for you as we can.
-  **Flexible underwriting** – We can often find a home for the more unusual or difficult cases.
-  **Contents cover available up to £50,000 (and in isolation for flats / apartments)**
-  **Sensible risk management requirements** – You will be clear exactly what is expected of you.

For a quotation, call Bickers Insurance Services - 01903 791340

www.bickersinsurance.co.uk

About the information in this factsheet

Please note that the information given in this factsheet has been provided on a general basis and as such may not reflect your individual circumstances. We therefore do not recommend that you act on any information contained in this document without first assessing your own situation and requirements and taking specific advice where necessary.

*This factsheet has been produced by Bickers Insurance Services,
specialists in arranging property insurance for unoccupied homes.
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