
Insurance for Homeowners and Shared Owners

Hanover has a single block insurance policy that provides buildings insurance for all homeownership properties where the lease or transfer requires Hanover to do so.

The **structure** of the property is insured including;

- Fixtures and fittings e.g. fitted kitchens and bathrooms
- Fixed floor coverings* (including fitted carpets in shared areas)
- Garages, greenhouses, sheds and outbuildings
- Patios, paved areas, footpaths, roads, car parks, lampposts, drives, walls, fences and gates

*Fixed floor coverings in homeowners' individual homes will only be covered under the policy provided that they are "fixed" to the building e.g. stuck to the floor or secured under skirting boards. This means they would then form part of the definition of Buildings (the structure of the property). If the flooring is not fixed it is necessary for the homeowner to arrange cover under their own contents insurance. In most cases this will apply to carpets, as they tend not to be glued or fixed to the floor, in that, if removed, the carpet would tear. Only carpets in shared (communal areas) that belong to Hanover will be covered under the buildings insurance policy.

The cost of this insurance is shared between our estates, with each estate paying for the proportion of the cover that it requires. The estate is insured on a "Full Rebuilding Costs" basis. This means that if the property was completely destroyed by an insured peril such as a fire, the property would be covered for the full cost of rebuilding it, up to a maximum limit of £10,000,000. The current excess which applies is the first £50 (each and every claim) increasing to £1,000 in respect of subsidence. Your Estate Manager or Housing Manager can provide you with a summary of the specific insurance cover for your estate.

We do not provide contents insurance – this is the responsibility of each homeowner. We can, however, offer homeowners a competitive rate for contents insurance agreed with AON UK Limited, which has the benefit of a nil policy excess. For further information about this please contact your Estate Manager or Housing Manager.

How we arrange buildings insurance

There are relatively few insurers who are willing to insure geographically dispersed groups of homeownership properties as it is a specialist type of insurance. Landlords, therefore, tend to work with an insurance broker who is an expert in this area, to secure the best possible deal. When the buildings insurance policy is due for renewal, we work with an insurance broker to review the market and find the best deal. Our insurance broker provides assurance that the policy we purchase is competitive and has been tested against other offers.

When we are choosing an insurance policy, price is not the overriding concern. We also take into account the quality and efficiency of the insurers' claims management processes, as from time to time the insurer offering the lowest price is known to have a poor record for claims processing. Choosing such a supplier would cause us and residents more long term problems than the short term gain on cost is worth.

Insurers do not all offer identical terms. Some insurers insist on a higher excess level for certain types of claim, while others may include clauses in their policy which exclude them from liability under certain circumstances. Our insurance broker helps us to weigh up all these options to achieve the best overall result.

Why do we have a block insurance policy?

Purchasing a block insurance policy helps us keep administrative costs reasonable. It is also more efficient to deal with one policy renewal than many different policy renewals.

The premium that we pay reflects the average claims history across all of our estates, so that 'good' claims histories help to offset 'poor' claims histories. This means that the risk to every estate is managed. If each estate had individual insurance, one large claim could result in a significant increase in premiums the next year.

The type of buildings insurance cover that we arrange for your property will normally be specified in your lease/transfer with Hanover.

Making a buildings insurance claim

When making a claim under the buildings insurance policy, the homeowner or shared owner has to pay the policy excess. The homeowner or shared owner will handle their claim directly with our insurance broker or insurer. Alternatively, the Estate Manager or Housing Manager may deal with the claim, provided the Estate Manager or Housing Manager appoints Hanover approved contractors. These procedures are set by the broker and insurers.

How to make a claim: homeowners and shared owners

In an emergency you should take any immediate action required to protect your property from further damage, such as boarding up, switching off gas, water or electricity. Support can be provided from Hanover on Call, your Estate Manager or Housing Manager.

Please note that for a claim to be considered the damage must have occurred within the policy period and have been caused by an event the policy covers e.g. fire, water, storm, theft etc. Please refer to the summary of cover held by the Estate Manager or Housing Manager for details of insured events.

Any settlement will be subject to the deduction of any applicable policy excess.

Should you need to make a claim please contact the Estate Manager or Housing Manager who will be able to assist you and provide claims procedures, including a claim form, if needed. It is recommended that you request this information when needed, rather than for future use, as procedures may change and using out of date procedures may delay your claim being processed.

Subsidence

If you suspect your property is suffering from subsidence, please contact your Estate Manager or Housing Manager, who will be able to advise you how to report the damage to insurers.