

Home Insurance

A guide to calculating your Sums Insured



Why do I need to choose adequate Sums Insured?

It is important that you choose Sums Insured sufficient to cover the cost of rebuilding, repairing or replacing your property, because the Sums Insured are the maximum amounts we will pay in the event of a claim for loss or damage.

What happens if I am underinsured?

If the sum insured on Buildings or Contents is too low, you are underinsured. This means that, in the event of a claim, how we settle a claim and the amount you receive could be affected as we may reduce the claim payment to reflect depreciation, wear and tear.

This guide is designed to help you arrive at proper Sums Insured for:

- **the Buildings of your Home** comprising the private dwelling, its domestic garages, greenhouses and outbuildings, landlord's fixtures and fittings, swimming pools, terraces, patios, drives, footpaths, walls, fences, hedges and gates, all on the same premises
- **the Contents of your Home** comprising household goods, personal effects and fixtures and fittings (not the landlord's), belonging to you or to members of your family permanently living with you or to domestic employees

- items insured as Personal Possessions

The Sums Insured you choose can be affected by inflation and, therefore, need to be kept up to date. We help you to do this by automatically increasing Sums Insured on Buildings (where chosen by you) and Contents in line with an appropriate index. However, this inflation protection will not be fully effective, if the Sums Insured you choose are too low at the outset or you do not adjust the Sums Insured to reflect a subsequent change in circumstances. You should also note that there is no such automatic increase to Sums Insured under the Personal Possessions section. You should, therefore, review your Sums Insured periodically and make an appropriate adjustment if you improve your home or make new purchases or acquisitions.

[For advice on choosing your Buildings sum insured](#)
- see page 2

[For advice on choosing your Contents sum insured](#)
- see pages 2 and 3

[For advice on choosing your Personal Possessions sums insured](#)
- see pages 2 and 3

If you believe your Sums Insured are too low, please contact us on **0345 600 2918** to increase your Sums Insured.

Choosing your Sum Insured - Buildings Insurance

The sum to be insured which you choose is the maximum sum which we will pay in respect of loss of or damage to the Buildings. In most cases, we will provide cover on the basis of the actual rebuilding costs up to £500,000.

You should make sure that your sum insured is sufficient to meet the cost of rebuilding your home and the cost of debris removal, architects' and surveyors' fees and local authority requirements. You should bear in mind that neither the price at which you could sell your house, nor the Council Tax valuation band, gives a reliable indication of the Sum Insured. If cover for rebuilding costs up to £500,000 is not sufficient, you should request a higher Sum Insured. If you are in any doubt, you are advised to have a professional valuation. Please see

'**What happens if I am underinsured?**' on Page 1.

Where we are unable to calculate actual rebuilding costs, guidance is available from the following website, which includes a rebuilding costs calculator:

www.abi.bcis.co.uk

Index-linking: To protect your chosen Sum Insured against the effects of inflation, it will be adjusted monthly in accordance with any increase in the House Rebuilding Cost Index prepared by the Royal Institution of Chartered Surveyors. If you improve your home, you should check the Sum Insured to ensure it remains adequate.

Choosing your Sum Insured - Contents Insurance and Personal Possessions Insurance

Contents

The sum to be insured which you choose is the maximum sum which we will pay in respect of loss of or damage to the Contents. In most cases, we will suggest a minimum Sum Insured based on the details you provide.

You should make sure that your sum insured is sufficient to replace all the Contents as new at current prices with no allowance for depreciation and wear and tear – except for clothing and household linen. If the figure we suggest is not sufficient, you should request a higher Sum Insured.

Please see '**What happens if I am underinsured?**' on Page 1.

Index-linking: To protect against the effects of inflation, Contents Sums Insured will be adjusted monthly in accordance with any increase in the Consumer Durables Section of the Retail Price Index or another suitable index decided by us. You should check the sum insured from time to time to ensure that it remains adequate, particularly when you make new purchases or acquisitions.

Personal Possessions

The sums to be insured which you choose are the maximum sums which we will pay in respect of loss of or damage to Specified or Unspecified Personal Possessions. The sums you choose should, therefore, represent:

- **Unspecified Personal Possessions:** the maximum value carried by the family at any one time of personal items and clothing normally worn or carried outside the Home, including pedal cycles, wheelchairs, invalid carriages and their accessories, sports equipment and mobile phones, based on the full cost of replacing all items as new at current prices, with no allowance for depreciation and wear and tear except for clothing. The Sums Insured available for Unspecified Personal Possessions are £2,500, £5,000, £7,500, £10,000 and £12,500.
- **Specified Personal Possessions:** the full cost of replacing all items as new at current prices with no allowance for depreciation and wear and tear – except for clothing.

To help you choose the appropriate contents sum insured use the checklist below. Take the replacement cost as new at current prices, making a deduction for depreciation and wear and tear on clothing and household linen.

Your contents sum insured **should not** be reduced by the sum insured chosen for any items insured as personal possessions.

| Check List | Lounge | Dining room | Kitchen | Landing, loft | Hall, stairs | Main bedroom | 2nd bedroom | 3rd bedroom | Bathroom /toilet | Totals £ |
|--|--------|-------------|---------|---------------|--------------|--------------|-------------|-------------|------------------|----------|
| Carpets, rugs and floor coverings | | | | | | | | | | |
| Furniture: tables, chairs, suites, cabinets, sideboard, beds | | | | | | | | | | |
| Soft furnishing: curtains and their fittings, cushions | | | | | | | | | | |
| Household appliances: cooker, fridge, freezer, washing machine, vacuum cleaner, electrical goods, heaters | | | | | | | | | | |
| Cooking utensils and provisions: cutlery, china, glass, food, drink, fuel | | | | | | | | | | |
| Valuables and High Risk Items: computers (including components and accessories) not used for business purposes, televisions, audio and video equipment, DVD equipment, digital receivers and recorders, photographic equipment, jewellery, watches, articles of gold, silver and other precious metal, furs, curios, stamp or coin or medal collections, pictures and other works of art. N.B. claim payments for High Risk Items are limited as follows (i) for any one article, pair, set or collection: £2,000, and (ii) in total: the limit chosen by you (£6,000, £9,000, £12,000 or £15,000). | | | | | | | | | | |
| Office Equipment: office furniture, computer equipment, fax machines, photocopiers, printers, word processing and fixed tele-communications equipment, stationery and business books used in connection with your profession, trade, occupation, business or employment, but not including any business stock or materials held. N.B. claim payments for Office Equipment are limited to a total of £5,000 for any one event. | | | | | | | | | | |
| Leisure items: sports equipment, cycles, books, records, tapes, musical instruments, toys | | | | | | | | | | |
| Garden and garage equipment: lawnmowers, spades, forks, hoes, shears, garden furniture, tools, ladders, paints | | | | | | | | | | |
| Other items (except clothing and household linen) | | | | | | | | | | |
| Clothing | | | | | | | | | | |
| Household linen: bedding, towels, tablecloths and other table linen | | | | | | | | | | |
| The contents of your home should be insured for at least | | | | | | | | | | |

It is prudent to arrange regular valuations for valuable items such as watches, jewellery or furs to ensure that the monetary limits on your chosen Contents and Personal Possessions cover are adequate for your needs.

Please call 03457 46 46 46* if you would like to receive this information in an alternative format such as large print, audio or Braille.

Co-op Insurance is a trading name of CIS General Insurance Limited; registered in England and Wales with registration number 29999R.

Registered office: CIS Building, Miller Street, Manchester M60 0AL.

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*Calls may be monitored or recorded for security and training purposes. Calls to 0800 numbers are free from UK landlines and mobile phones. Calling us on an 03 number will cost no more than a call to an 01 or 02 number irrespective of whether you call from a landline or mobile. If you have 'inclusive minutes' with your package these calls are normally included, however you may wish to check with your service provider. Lines are open from 8am-8pm weekdays, 8am-5pm Saturdays and 9am-4pm Sundays.