

June 2018



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# Property Owner's Underwriting Update



## Property Owners Underwriting Update

We have recently transferred all our Property Owners schemes to new insurers. We have taken this opportunity to massively improve the policy wordings.

This email explains in detail the changes we have made and the impact on the various schemes.



## Residential Let

Our popular Residential let products have been transferred to AXIS or Channel underwriters @ Lloyd's with effect from 11th May 2018 for new business and 4th June 2018 for renewals. These products have been vastly improved and now include:

- Damage to Landscaped gardens by the emergency services - £5,000 limit in any one period of insurance.
- Illegal Cultivation of Drugs cover for clean-up costs and remedial work in reinstating your building back to its original condition if the tenant alters the building without your knowledge - £5,000 in any one period of insurance
- Removal of Wasp and Bee nests up to £1,000 in any one period of insurance with a reduced excess of £50
- Capital Additions cover has been included up to 10% of the building sum insured or £250,000 whichever is less

- A new unattended condition has been applied in the policy wording which states

If the **Buildings** become **Unattended** for more than 30 days in a row for any time between 1st December and 28th February **You** must without delay

- i) Turn off the water at the mains and drain the system
- ii) Turn off any oil supply at the tank, or
- iii) Where the **Buildings** benefit from gas or oil fired central heating, the system must be connection with a frost-stat and be set to operate continuously for 24 hours each day at not less than 4 degrees Celsius

Otherwise all **Damage** caused by the **Insured Events** of Escape of Water and **Damage** to fixed water tanks, apparatus or pipes will be excluded under Sections 1 and 2

In addition, the following improvements have been made

- Loss of Rent up to 20% of the building sum insured or up to £150,000 alternative accommodation costs which has been increased from £25,000
- Trace and Access has increased from £2,500 to £5,000
- Accidental Damage to cables or underground services pipes has increased from £2,500 and now a limit no longer applies
- Damage occurring by Malicious persons authorised to be in the Buildings is restricted to £5,000 unless a satisfactory tenant reference is obtained. A tenant reference is defined as a credit check against the Tenant and any Guarantor obtained from a licenced credit referencing company showing:
  - a) no County Court Judgements in the past three years;
  - b) no outstanding County Court Judgements in the past three years;
  - c) the Tenant's or Guarantor's financial ability to meet the Rent commitment
- On the let AXIS product the standard Escape of Water excess has reduced from £500 to £250.
- The definition of unoccupied is now extended to 60 days. Please ensure that you are familiar with the additional Unattended condition which applies after 30 days between 1st December and 28th February
- Unoccupied Gold cover no longer restricts Theft or Attempted Theft to the inner limit of £3,500

The Loss of metered water extension will exclude any loss where remedial action has not been taken within 7 days following discovery of the occurrence of the Damage. Please refer to Section 1, Extensions, of the Policy Wording for the full cover/restrictions provided by this extension.

The Economy Let product is a more streamlined version therefore this product does not include some of the above extensions or improvements.



## Short Term Unoccupied

The underwriters for this Scheme will be AXIS Managing Agency Ltd at Lloyd's or Channel Syndicate 2015 at Lloyd's. The policy wordings have been reviewed and they have a new look and feel which is now specifically aimed at unoccupied properties and makes the cover clearer.

- Additional perils covered under Buildings section:
  - i) weight of snow
  - ii) Breakage or collapse of fixed radio and television aerials, fixed satellite dishes and their fittings and masts
  - iii) falling trees, telegraph poles or lamp-posts
- Additional cover: Damage by Emergency Services (£1,000 limit)

The definition of Buildings now excludes carpets however these are covered under the contents sum insured. Please ensure you are aware which heading flooring is to be placed on the statement of fact and reflect the sum insured accordingly.

Definitions:

**Buildings** The main structure of the **property** and;

- fixtures and fittings attached to the **property** including permanently fitted flooring
- domestic outbuildings and private garages

- permanently installed swimming pools, tennis courts, drives, patios, terraces, walls, gates, paths, fences and fixed fuel tanks
- radio and television aerials, satellite dishes, their fittings and masts which are attached to the **property you** own or for which **you** are legally liable within the **premises** named in the **schedule**.

**Buildings** do NOT include:

- carpets

**Contents** Household goods within the **property**, which **you** own or which **you** are legally liable for.

**Contents** includes:

- items in outbuildings, garages or sheds, but within the **premises** up to GBP500 in total
- domestic oil in fixed fuel oil tanks up to GBP500 which **you** have paid for
- carpets, but not permanently fitted flooring

**Contents** does NOT include:

- motor vehicles caravans, trailers or watercraft or their accessories
- televisions, satellite decoders, radios, audio equipment and home computers
- money, certificates or documents
- clothing, personal effects, pedal cycles
- any living creature
- any part of the **buildings**
- any property held or used for business purposes
- any property insured under any other insurance.
- any **high risk items**

The Policy conditions have been reviewed and include updated conditions in respect of unauthorised entry to Buildings. We have previously accepted up to two attempts before notification was required, moving forwards if unauthorised entry is detected the client must as soon as reasonably practicable inform their broker. For the full wording of the Policy Conditions please refer to General Conditions section of the Policy Wording.





## Commercial & Industrial Property Owners

Since the merging of the Commercial and Industrial and Unoccupied schemes we identified an inconsistency on the products between Glass and Landlords Fixtures and fittings. We are pleased to confirm that we have made good progress in resolving this issue. Glass forming part of the buildings will now be covered under the definition of Buildings on both schemes except for Shop Front windows. A sum insured will need to be specified separately if you are looking for Shop Front Windows to be insured.

Landlords Fixtures and Fittings will now also be insured under the Buildings item on both schemes. The original Commercial Property Owners Separate Landlords Fixtures and Fittings section has now been updated to a Landlords Contents section.

The Sum Insured Property Schedule has been updated accordingly and will now show the correct locations for the above items under both schemes.

With effect from 11th May 2018 all new business for the Commercial Property Owners Scheme, and renewals with effect from 4th June 2018 will be underwriter by AXIS Managing Agency Limited at Lloyd's. With effect from the same dates the Industrial Property Owners Scheme will be underwritten by Channel Syndicate 2015 at Lloyd's.

The Loss of metered water extension will exclude any loss where remedial action has not been taken within 7 days following discovery of the occurrence of the Damage. Please refer to Section 1, Extensions, of the Policy Wording for the full wording.

The Commercial Property Owners policy has been enhanced with the following

- Capital Additions cover has been included up to 10% of the building sum insured or £250,000 whichever is less

- Illegal Cultivation of Drugs cover for clean-up costs and remedial work in reinstating your building back to its original condition if the tenant alters the building without your knowledge - £5,000 in any one period of insurance

In addition, the following Improvements have been made:

- Loss of Rent up to 20% of the building sum insured or up to £150,000 alternative accommodation costs which has been increased from £25,000
- Trace and Access has increased from £2,500 to £5,000
- Accidental Damage to cables or underground services pipes has increased from £2,500 and now a limit no longer applies

The Industrial Property Owners Policy has seen the following improvements

- Trace and Access has increased from £2,500 to £5,000
- Accidental Damage to cables or underground services pipes has increased from £2,500 and now a limit no longer applies

For any questions regarding our update please speak to...



### **Peter Reed**

#### **Senior Property Owners Underwriter**

As an underwriter, Peter specialises in Property Owners policies at Commercial Express. Before joining the team as an underwriter, Peter collected a wealth of experience at Swinton Insurance, Footman James and Coversure. Peter's commitment to offering the best possible service to agents is reflected in his genuinely helpful nature and commitment to always getting the job done.

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### **Brook Poxon**

#### **Property Owners Underwriter**

Brook comes to us after 4 and half years of working at a successful Commercial brokerage. Brook's experience of dealing with new business enquiries, renewals and MTA's across Property Owners, SME & Catering business makes him a great new addition to the underwriting team. Brook enjoys the fast-paced underwriting environment and building rapport with our agents, day in, day out.

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### **Claire Willis**

#### **Property Owners Underwriter**

Claire has been in the industry just under 9 years. She spent just under 5 years at Endsleigh where she worked in customer services for household, motor and student possessions policies. She spent the last 4 years at a Lloyds broker, Bennett Gould and Partners (BGP) where she was an account handler, on non-standard household risk binders underwriting risk for brokers. Claire wanted to work for CE to increase her knowledge and experience in an underwriting role.

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### **Andrew Fisher**

#### **Property Owners Underwriter**

Andrew has been in the insurance industry for over 3 years all within non-standard motor insurance. He started off as a new business sales agent, then a claims analyst, but has now been underwriting for the past year and a half. He has always been in non-standard motor insurance, by joining CE it gave him the opportunity to branch out into a new class of insurance.

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