



# Building insurance

## frequently asked questions

Buildings insurance for Islington Council leaseholders is provided by Zurich Insurance plc (trading as Zurich Municipal). This factsheet is a summary of the cover and contains general advice about insurance matters. You should always refer to the policy booklet for full details of the cover and exclusions, and you should take independent advice on issues about your liability or the liability of other residents or the council in relation to particular incidents.

### What does the buildings insurance cover?

Building insurance covers damage or loss caused to the structure of your home, including fixtures and fittings, by certain insured risks. There is a summary of what is covered in the buildings insurance section of the website, where you can also view or download a copy of the policy booklet: [www.islington.gov.uk/leaseholders](http://www.islington.gov.uk/leaseholders)

### What isn't covered by the buildings insurance?

The policy booklet sets out any exclusions that apply to the risks covered by the policy. Examples of elements that are not covered include:

- Wear and tear, including a part of the building that has reached the end of its useful life (for example, a flat roof surface wearing out)
- Routine repairs and maintenance (for example, clearing drains and gutters, or external decorations)
- Loss or damage to your contents or personal belongings

If damage occurs which is not caused by an insured risk set out in the policy booklet, the insurer will not make any payment, even if it is not specifically excluded.

### How do I make a claim?

Contact: Zurich Insurance plc.  
Property Claims  
PO Box 3886  
Swindon  
SN4 4FF

Telephone: 0800 026 1841 (new claims)

Email: [homeclaims@uk.zurich.com](mailto:homeclaims@uk.zurich.com).

You must make claims within 90 days of the incident



## **Can I claim on my building insurance on behalf of my neighbour if I cause damage to their property?**

No. You can only claim for damage to your property.

## **What happens once I have made a claim?**

It is important that you keep damaged items and do not throw anything away, as Zurich Insurance may wish to inspect them.

You will be asked to obtain at least one competitive estimate for replacement or repair of damaged property.

Zurich Insurance will agree the extent and the cost of the required works. Once the works have been carried out and you have presented the invoice to Zurich Insurance they will arrange to pay you, deducting the excess that applies to your claim.

Alternatively, Zurich Insurance may be able to instruct a contractor to undertake work as settlement or part settlement of your claim. Zurich Insurance will pay the contractors, less the policy excess which you will normally pay directly to the contractor.

If you have any queries concerning the progress of your claim you can telephone the Zurich Claims Team on 0800 026 1841.

## **What if I need emergency assistance?**

If you have an emergency in relation to an insurance claim and urgently require a tradesman you can call Zurich Insurance's 24 hour assistance line on 0800 015 9329 and they will arrange for an authorised contractor to call and make appropriate repairs.

If the repair is subsequently part of a valid claim, Zurich Insurance will settle the repair costs directly with the authorised contractor and you will only have to pay the excess to the authorised contractor. However, if the repair is not part of a valid claim, you will be responsible for any fees or costs charged by the authorised contractor.

## **Can I make my own arrangements for buildings insurance?**

No. It is a condition of your lease that the landlord arranges building insurance cover for leaseholders. There is one building insurance policy for all leaseholders, which is in joint names with all leaseholders and the council.

## **What is the difference between my building insurance and my contents insurance?**

Building insurance covers the structure of the home together with its fixtures and fittings, such as kitchen and bathroom units. Contents insurance covers the contents of the home; typically items that you would take with you if you moved home.

You are responsible for arranging your own contents insurance. Islington Council has an arrangement with an insurance company who can provide contents insurance for any leaseholders and tenants that want to insure their contents this way. You can find out more by contacting the council on 020 7527 2000 or emailing [contact@islington.gov.uk](mailto:contact@islington.gov.uk)

### **How is my building insurance charge worked out?**

Your charge is worked out using the **premium rate** multiplied by the **insured value** of your property. You pay for the building insurance through your annual service charge.

For the year 2017/18 the premium rate is £1.05 plus 10% Insurance Premium Tax (IPT) for each £1,000 of the insured value. For example, if the insured value of your home is £150,000 your insurance charge will be: 1.05 multiplied by £150,000, then divided by 1000 = £157.50 plus 10% IPT resulting in a total amount payable of £173.25 for the year.

### **How is the insured value worked out?**

The insured value of your property is based on the rebuilding cost of the property. Each year the rebuilding cost is amended in line with inflation. This is known as index linking.

The market value of your home has no direct relationship to the rebuilding cost. This is because the cost of rebuilding is made up essentially of the costs of materials and labour, and the location of the property does not generally affect these costs. The rebuilding cost also reflects the fact that there is no need to include the cost of the land on which the property is situated.

### **What if I sublet my property?**

Buildings insurance cover is still provided by Zurich Insurance plc, and there is no need for you to let them know you are subletting. However under the conditions of your lease, you must inform the Home Ownership department that you are subletting, and complete a registration form. For more information see the “subletting your home” section of the website: [www.islington.gov.uk/leaseholders](http://www.islington.gov.uk/leaseholders)

If you sublet your property you will not be covered for “extended accidental damage” or “theft or attempted theft” (unless arising from the breaking into or out of your home). Malicious damage caused by a person lawfully on the premises (for example, your tenant) is also excluded.

We also recommend that you take out a landlord’s insurance policy. This will safeguard your property as well as provide loss of rent protection.

### **How do I get the interest of my mortgage providers noted?**

If you have a mortgage, your lender will normally ask for its interest in your property to be noted or recorded by the building insurer. The policy contains a General

Interest Clause that automatically notes the interest of all mortgage companies. This means you don't need to do anything to get your mortgage provider's interest noted.

### **What do I have to tell the building insurance company?**

The insurance company needs to be informed of anything that would be considered a change in information on which the insurance is based, or would change the rebuilding cost of your property.

For example, you need to tell Home Ownership to inform Zurich if:

- you have had an extension built or carried out a loft conversion
- your home is used for any business purposes (other than clerical)
- the internal structure, fixtures and fittings or decorations within your flat or maisonette are no longer in a good state of repair. Please note necessary repairs concerning communal parts of the building should be reported to Islington Council

Any requests for this extension of cover must be referred to the council's Home Ownership department.

### **What happens if the property is unoccupied?**

If the property is left empty for more than 30 consecutive days, the following Insured Risks will be excluded:

- Malicious damage
- Escape of water from any fixed tank, pipe or appliance and damage caused to such by bursting or freezing
- Theft or attempted theft

You should consider what precautions you could take to minimise the risk of loss or damage to your property if it is unoccupied. For example, arranging for milk and any other regular deliveries to be stopped, making sure sinks are unplugged, having a friend or trusted neighbour regularly check the property and maintaining the heating during October to March at 10°C average temperature or draining the heating system.

In certain circumstances, the period may be extended to 60 days if the owner will be reoccupying the property within that time scale, for example after a long holiday. Any requests for this extension of cover must be sent to the Home Ownership department who will then refer to Zurich Insurance if necessary.

### **What is the excess under the policy?**

The excess is the amount you have to pay yourself towards the cost of a claim.

For subsidence claims, there is an excess of £1,000. However, for each incident of loss or damage, there is a maximum excess of £2,500 in total for the building as

whole. This means your individual excess may be reduced depending on the number of properties in the building affected by the subsidence damage.

The excess for escape of water is £150, and for all other claims you will have to pay the first £100.

Please remember that each individual occurrence of damage is deemed to be one claim. If you report multiple incidents of damage at the same time, these will be treated as a separate claims and a separate excess will apply to each claim.

### **Do I have to pay an excess if I make a claim even though it is not my fault?**

Yes. You are responsible for paying the policy excess even if the damage was caused by someone else, for example water an escape of water from a flat above or a motor vehicle impacting with your property.

### **What if I am unhappy regarding the claim settlement?**

If you are unhappy with your claim settlement you should contact Zurich Insurance on 0800 026 1841. Zurich's complaints procedure is set out in the policy booklet.

If you are not happy with the outcome of Zurich's final decision, you may be able to refer your complaint to the [Financial Ombudsman Service](#).