



The cost of insuring your house needn't go through the roof

# Home in on the best insurance

We compared more than 4,000 premiums to find our Best Buy house insurance policies

**S**witch from one of the most expensive buildings insurance policies we found to one of our Best Buys and you could save more than £200 a year.

## WHAT YOU NEED TO KNOW

There are two types of house insurance – contents and buildings. Most people need both, but for whichever type you're buying, you have to work out how much cover you need.

For buildings insurance, make sure your policy covers the cost of rebuilding your home. See the calculator at [www.bcis.co.uk](http://www.bcis.co.uk) or contact the Association of British Insurers on 020 7600 3333 for help working this out.

Your contents insurance must be sufficient to cover all the possessions in your home. Insurers usually put a top limit on single high-value items – you may need to pay extra to extend cover to particularly valuable items. If you want possessions to be covered away from home, you'll have to pay extra for personal possessions cover (also known as 'all-risks' cover). You can also pay extra to insure against accidental damage to your possessions in your home. Contents insurance usually covers your legal liability as owner – if a visitor gets injured, say.

Buildings and contents policies can be bedroom rated or sum insured – see 'Jargon buster', right. It's worth getting quotes from Best Buys for both types.

## WHAT OUR BEST BUY POLICIES COVER

All our policies are based on quotes for standard cover (that is, not including personal possessions or accidental damage) and assume the policyholder has a five-year no-claims discount. They're based on a three-bedroomed, semi-detached house with £120,000-worth of buildings cover and £40,000-worth of contents cover. We've assumed that the house is:

- of conventional brick construction, in a good state of repair and has no history of subsidence
- unoccupied during the day
- fitted with approved locks on all doors and accessible windows but has no burglar alarm.

## CHOOSING A POLICY

To choose a Best Buy buildings insurance policy, find the category closest to your age, the age of your house and the risk category of the area you live in. Risk depends on several factors, including the types of claim made in your area, and the chance of storm damage, flooding and subsidence. If unsure, get quotes from one or two of each risk category.

For a Best Buy contents policy, decide on the risk category of the area where you live. If you live in a rural area or a small town, you'll probably be in a low-risk area. A provincial town or city suburb is normally classed as medium risk, and a central or inner city area is high risk. Then choose a Best Buy closest to your own age – the Best Buy companies for 40-year-olds should also be good value if you are younger.

## How to save money

- Shop around each year before you renew.
- You don't have to buy contents and buildings insurance from the same insurer. It may be cheaper to buy them separately.
- Buying online could get you a discount.
- Consider taking out accidental damage cover if you have an active household – for example, one with young children.
- Paying by instalments will probably cost you a lot more, as companies charge interest.
- Make sure you have enough contents cover for all your possessions, but don't over-insure.
- Make sure you know what's covered. Check for limits on high-value items and for exclusions – for example, the cost of replacing a matching set of furniture if only one item is damaged.

## JARGON BUSTER

**Accidental damage** Extra cover to insure against accidental damage to your possessions.

**All risks** Additional cover for your possessions if you're away from home. Usually also covers your possessions while you're abroad, for up to 60 days. Also known as personal possessions cover.

**Bedroom rated** Based on how many bedrooms your home has. Most bedroom-rated policies have a maximum amount the policy will cover – check it's enough for all your possessions. If you use a bedroom for another purpose – as a study, say – it counts as a bedroom for insurance.

**Sum insured** Based on the replacement value of your possessions or the cost of rebuilding your house – insurers calculate premiums from what you tell them.

## Buildings insurance

### BEDROOM RATED

	Low risk				High risk				Discounts		
	40-yr-old 1938	60-yr-old 1982	40-yr-old 1938	60-yr-old 1982	40-yr-old 1938	60-yr-old 1982	40-yr-old 1938	60-yr-old 1982	Excess (%)	Max NCD (%)	Online (%)
Barclays					✓	✓	✓	✓	15	20	10
Bradford & Bingley								✓	varies	varies	10
Budget	✓		✓			✓			varies	35	varies
Churchill		✓			✓	✓		✓	varies	30	10
Cornhill			✓	✓					20		
Coventry BS	✓	✓	✓	✓					7.5	25	
HBoS				✓			✓	✓	varies	30	25
Liverpool Victoria					✓		✓		24		
Norwich Union Direct					✓		✓		18	20	25
RIAS	✓	✓	✓	✓		✓				10	
Sainsbury's	✓	✓							varies	40	10

### SUM INSURED

Admiral		✓			✓	✓			30	varies	5
Argos	✓	✓	✓	✓		✓			15	20	
Budget	✓		✓	✓					varies	35	varies
Ecclesiastical					✓	✓	✓	✓	12.5	15	
Egg				✓					10	10	5
Esure	✓	✓	✓	✓				✓	see <sup>a</sup>		15
First Direct					✓		✓	✓	30	50	
Help The Aged								✓	20	30	
Key Connect		✓			✓	✓		✓	16	35	varies
NatWest/RBS			✓				✓		varies		
Norwich Union Direct							✓		18	20	25
Post Office	✓								varies	50	varies

<sup>a</sup> 2.5 per cent for each £50

## Contents insurance

### BEDROOM RATED

	Low risk		Medium risk		High risk		Discounts		
	40-yr-old	60-yr-old	40-yr-old	60-yr-old	40-yr-old	60-yr-old	Excess (%)	Max NCD (%)	Online (%)
Argos			✓	✓			15	20	
Bradford & Bingley				✓	✓	✓	varies	varies	10
Budget					✓		varies	35	varies
Churchill	✓						varies	30	10
Derbyshire BS	✓		✓						
Dunfermline BS	✓	✓						15	
HBoS					✓	✓	varies	30	25
Legal & General		✓					31	20	
RIAS		✓	✓	✓				10	10
Sainsbury's						✓	varies	40	
Yorkshire BS	✓	✓	✓	✓	✓	✓	17	15	

### SUM INSURED

Bradford & Bingley	✓		✓	✓	✓	✓	varies	varies	10
Budget			✓		✓	✓	varies	35	varies
Clydesdale Bank			✓	✓	✓	✓	varies	varies	
Direct Line		✓					varies		5
Egg	✓	✓	✓	✓			10	20	10
Esure				✓	✓	✓	see <sup>a</sup>	45	15
First Direct	✓						20	50	
HSBC	✓	✓					20	50	10
NatWest/RBS		✓					varies		

<sup>a</sup> 2.5 per cent for each £50

### USING THE TABLES

We got quotes from 42 companies for their standard policies (no personal possessions or accidental damage cover). Cover is index-linked (it increases in line with inflation each year). Contents policies offer new-for-old cover for most possessions in your home. All our Best Buys assume the policyholder has a five-year no-claims discount (NCD), but many are also good value even if you don't have any NCD, so try calling a few to get the best quote (see 'Contacts', p72). Find the category closest to your situation – if a company gets a ✓ in that column, it's a Best Buy for you.

### Low risk/Medium risk/High risk

For buildings insurance, this refers to the risk to your house from, among other things, flooding, storm damage or subsidence and to the types of claim made in your area. For contents, risk depends on the area your house is in: low risk is usually rural areas or small towns; medium risk is provincial towns or city suburbs; and high risk, central city areas.

### Discounts

**Excess** Maximum discount for voluntarily increasing the excess on your policy. **Max NCD** The maximum no-claims discount offered. **Online** Discount offered if you buy online.

### WHICH? EXTRA

For more about the level of cover of the policies listed here, as well as details of all 42 companies' policies, see: [www.which.co.uk/contentsinsurance](http://www.which.co.uk/contentsinsurance) and [www.which.co.uk/buildingsinsurance](http://www.which.co.uk/buildingsinsurance)