

**Q: How can you reduce the risk of rental losses from tenants claiming Housing Benefit?**

**A: With a unique and exclusive Rent Guarantee Insurance policy!**

# Rent Guarantee Legal Expenses and *(Home Emergency cover)*

Haringey Landlord Forum 26<sup>th</sup> January 2011



## Kennington

By Rajan Amin Cert CII

# Fixed Annual Premium

➤ If tenant in receipt of benefit

$£254.40 + £25 \text{ fee} = \underline{£279.40}$

0.76 p per day!

➤ If Landlord in receipt of benefit

$£178.08 + £25 \text{ fee} = \underline{£203.08}$

0.56 p per day!

# 1# Rent Guarantee Cover

- ❖ 12 month Insurance Policy
- ❖ Maximum cover £2,500 per month (£10,000 max over 12 months)
- ❖ Council reference check\* sufficient to validate cover (Statement Of Fact)
- ❖ CCJ Check only required if tenant in receipt of Housing Benefit (3 years clear history)

# Council Reference Checks

- ✓ Proof of identification being passport, driving licence, birth certificate or the like
- ✓ Proof of income to be ascertained from Income support book, payslips or the like
- ✓ Proof of address from a utility bill, medical card, driving licence or the like
- ✓ Proof of homelessness if applicable i.e. a notice to quit, a letter from the Tenants parents or the like
- ✓ Check approach address tenancy details i.e. tenant household details

# 2# Legal Expenses Cover

- ❖ £50,000 Cover for any one claim
- ❖ £500,000 cover in aggregate for any one period
- ❖ £25,000 Eviction Cover
- ❖ Property disputes
- ❖ Repairs and Renovation Disputes
- ❖ Health and Safety Prosecution
- ❖ Tax Protection

# **3# Home Emergency Cover**

- ❖ As of 04<sup>th</sup> January 2011 this section of cover has been suspended by the insurer**

**The insurer is actively seeking a new provider**

**Cover should be available again by the end of February 2011**

**Cost of this cover is ~£40.00**

# Why insure with us?

- ✓ No additional work - Council reference checks sufficient to validate the cover \*
- ✓ Quicker acceptance as County Court Judgement (CCJ) Check only required if tenant is in receipt of the Housing Benefit
- ✓ Less rejected claims as Policy wording specific to Housing Benefit Tenants
- ✓ Coversure Kennington Winners of 2009  
“Claims Assistance Award”  
Voted best out of 87 branches

# One Page Proposal Form

➤ Simple Statement of Fact (SOF)

➤ No signature required on declaration

➤ Validation points clearly stated

**Coversure Insurance Services Ltd**

**Statement of Fact Property and Rent Legal Expenses**

**Insured** :

**Policy Number** :

**Renewal/Inception Date** :

The statement of fact shall form the basis of the contract between yourselves and Insurers. All other terms and conditions are as per the policy wording.

**You must notify Coversure Insurance Services Ltd immediately if any of the following circumstances are NOT true, providing full details in order that your premium and terms can be reassessed:**

- You have declared to Coversure Insurance Services Ltd all of the leases that you own/are responsible for where the tenants were in receipt of housing benefit at the time of declaration\*
- There have been no disputes with any tenant, leaseholder or freeholder in the last three years in respect of property to be insured under this policy.
- You are not aware of any potential or actual on-going dispute in relation to any of your properties.
- There are less than 50 leases to be Insured under this Policy.
- The rental value is above £250 per month per property and is below £2,500 per month per property.
- No tenant fails the appropriate Tenant referencing test (see below for details)\*\*
- There have been no breaches of the Tenancy Agreement or a failure to renew a Tenancy Agreement.
- None of your Tenants have any County Court Judgements against them to your knowledge.

\*Note – A lease is defined as each agreement and/or contract with another party for use/occupancy of the property. Proposers must declare the total number of leases relating to the property they own or are responsible for where the tenants were in receipt of Housing Benefit at the time of declaration

\*\* Tenant Reference Check

If the tenant has been declared Vulnerable by the relevant Local Authority the following checks must be carried out before the commencement of the Residential Tenancy Agreement:

- Proof of identification being passport, driving licence, birth certificate or the like
- Proof of income to be ascertained from Income support book, payslips or the like
- Proof of address from a utility bill, medical card, driving licence or the like
- Proof of homelessness if applicable i.e. a notice to quit, a letter from the Tenants parents or the like
- Check approach address tenancy details i.e. tenant household details

If the tenant has not been declared Vulnerable by the Local Authority the following checks must be carried out in addition to the above before the commencement of the Residential Tenancy Agreement:

- A credit check obtained from a licenced credit referencing company on a Tenant showing no County Court Judgments in the past three years and no outstanding County Court Judgments

**DECLARATION – Please read carefully**

I/We warrant that the above statements are true to the best of my/our knowledge and belief and Insurers will be informed of any material alterations. If such statements and particulars are written by any other person such person shall be deemed to have been my/our agent for filling in the same. I/We hereby agree that this declaration form, subject to my acceptance of the quotation, shall be the basis of the contract between me/us and Insurers and I/we am/are willing to accept a Policy subject to the terms, conditions and exceptions prescribed by Insurers therein. I/We agree that if completing this declaration on behalf of the Insured that I/We have the proper authority from the Insured to do so.

**Proposers Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Abbey Legal Protection a trading division of Abbey Protection Group Limited, Minories House, 2 – 5 Minories, London EC3N 1BJ.  
Telephone 0870 600 1480. Fax 0870 600 1481 [info@mlrsl.com](mailto:info@mlrsl.com) [www.shovosposi.com](http://www.shovosposi.com)

# Terms & Conditions

- ✓ Assured Shorthold Tenancy in place
- ✓ Housing Benefit must be approved
- ✓ Proof Housing Benefit approved from start of policy/tenancy at claim stage
- ✓ Rent Guarantee claim must be notified within 60 days (Due notices issued\*)
- ✓ *(Boiler cannot be more than 20 years old) (certain makes/models excluded)*

# Excess – What is not covered

- ❖ One full month's rent arrears if landlord in receipt of Housing Benefit
- ❖ Two full months rent arrears if tenant in receipt of Housing Benefit
- ❖ *(First 28 days cover of the Home Emergency Insurance)*
- ❖ Legal Expenses £1,000 (Nil excess for Eviction Cover)

# Real Claims Experiences

- ❖ £35,000 + has been paid on over 30 claims to date (31.12.2010)
- ❖ Single largest claim paid £8,501!
- ❖ Home Emergency Cover - Largest number of claims under this section

# To Incept Cover

- 1) Insured must be Landlord as shown on AST
- 2) Risk address of property being Let
- 3) Monthly rent as shown on the AST
- 4) Who is receiving the Housing Benefit
- 5) If tenant(s), copy of the CCJ Check \*
- 6) *(Make & Model of Boiler + Year fitted)*
- 7) Full payment - Cover from Day One

# In conclusion ...

- ✓ Truly unique product
- ✓ *“The most important benefit to you is that Coversure has found an insurer who will, provided the tenant has no CCJ’s, accept the risk for housing benefit tenants without a credit check”*

# Written Quotations

The details on these slides are for presentation purposes only.

If you require a full quotation for the cover please contact us on  
0800 093 9009 Freephone  
ask for Mike or Rajan

[www.coversure.co.uk/kennington](http://www.coversure.co.uk/kennington)

**Thank you for listening**  
**Any questions?**



**Kennington**