

Viewpoint



Are your contents underinsured?

UK households contain, on average, £55,000 worth of possessions, but an average GI policy covers just £35,000.

Surviving the loss of a key person

The loss of a key person from a small or medium-sized business can have a dramatic effect.

Time for an upgrade

Products like critical illness insurance have changed, so it's important to make sure your cover hasn't become outdated.

Are your contents underinsured?

When it comes to insuring your home and contents, many people take out far less cover than they need, risking potential upset when it comes to making a claim.



For more information about protecting your home and contents, please get in touch.

The average UK home contains around £55,000 worth of possessions, but an average insurance policy covers just £35,000, potentially leaving £20,000 worth of uninsured valuables per household.

Why do we undervalue our possessions?

One reason could simply be a lack of awareness – both in terms of the real value of possessions and the items we should be insuring. When you're reviewing your contents insurance, don't just think about your jewellery and electronic equipment or other high-value items. Make sure you consider everything, including clothes, shoes, books, furniture – and contents in your garage, garden shed or other outbuildings.

Another reason why people underinsure could be a desire to keep insurance premiums down – but this really misses the point of taking out cover in the first place. If you're in the unfortunate situation where you need to claim and you haven't included certain items in your policy, you won't be covered and this could leave you even more out of pocket.

Ask us to review your cover

By seeking our professional guidance, you may find you're able to reduce your outgoings, identify instances where your protection could be improved or uncover gaps in your insurance.

We can help you understand what you're covered for – and what you aren't. While buying home insurance may feel like an expensive chore, it's critical to ensure it meets your needs and expectations. If you don't fully understand your policy excesses (the contribution you are required to pay towards a claim) and policy exclusions (such as accidental damage), your insurance could end up letting you down when you need it most.

Alternatively, you may not even realise you require specialist insurance. If your home is classed as a 'non-standard construction', or you have high-value contents in the home, it may be appropriate to call in a specialist insurance provider that can meet your needs.

It can be easy to question the value of insurance – until the day you need it most. If you've ever had to make an insurance claim, you'll know just how valuable it can be.



Surviving the loss of a key person

If something happened to you, your co-owners or employees, could your business survive?

According to research by Legal and General, if a business suffered the loss of a key person:

- 40% of businesses would cease trading in less than a year of the death or serious illness of a key person
- 63% of sole traders would cease to trade immediately
- 46% of new businesses (less than two years old) would cease to trade immediately

The loss of a key person within a small or medium-sized business can cause unexpected costs and disruption. Not only would the business have to fund the cost of recruiting and training a replacement, but it would also risk suffering from a:

- loss of profits
- loss of important business contacts
- loss of knowledge and expertise
- Customers and suppliers losing confidence in the business

Business protection insurance can help mitigate or even avoid these risks altogether

As a business owner, you should know there are three main types of business protection: Key Person Insurance, Shareholder Protection Insurance and Business Loan Protection.

- *Key Person Insurance* – provides a lump sum to the business on the death of an important member of the business.
- *Shareholder Protection Insurance* – provides a lump sum that will allow remaining shareholders to buy the shares of a deceased shareholder.
- *Business Loan Protection* – provides a lump sum to help a business pay any outstanding business loans.

Deciding on the right type of cover depends on the circumstances involved and the events the business wants to insure the key person against.

People are the biggest asset to any business and Business Protection Insurance is designed to keep your business trading should the worst happen.



For further information or advice on setting up a business protection policy please get in touch.



Time for an upgrade?

Have you upgraded your mobile phone in the past two years?

If the answer's yes, your choice may have been driven by a change in your needs or wants. Perhaps you opted for a better deal, a different contract, or a handset with new features that weren't available with your previous model?



We can review your needs and make sure you have the right cover in place. To arrange your review, please get in touch.

When it comes to updating your phone TV or even your car we all want to feel like we're getting a good deal.

The question is: why don't more of us do this with items like the financial products we pay for every month?

Are your current arrangements still right for you?

Take critical illness insurance as an example. If you have a critical illness policy:

- When did you last update it?
- Does it still provide the cover you need?
- Does it continue to provide the benefits and features you need?

When your needs change, it makes sense to update things

Life may have changed since you last bought or reviewed your critical illness insurance cover. You may have had children, moved house, or your income may have changed.

This means that even though you have a critical illness plan in place, it might not offer you the level of cover you'd need if the unexpected happened.

However, it might also provide cover for certain conditions which may not be available on a new plan.

Insurance innovation

It's not just mobile phone companies that compete to offer the most innovative products – insurance companies are constantly updating their products to reflect customers' changing needs too.

Given that more of us are living longer and surviving serious illnesses like cancer it is perhaps unsurprising that products like critical illness insurance have changed in recent years. For instance, many insurers have introduced greater flexibility and extended their cover to cater for a wider range of illnesses. Some have even introduced completely new products offering partial pay-outs, or for an additional cost, allow you to claim for non-critical illnesses and injuries.

Protect your loved ones

Critical illness insurance can help you cover mortgage or rent payments, treatment, or any home alterations you may need to make as a result of an unexpected critical illness – so it's important your cover remains up-to-date.

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