

Press information for release Monday 8 June 2009

Don't discriminate against tenants says insure4excess

The much-discussed Equality Bill will undoubtedly put an end to age discrimination within the financial services sector, but do little to stop discrimination in other areas such as one in three households missing out on low-cost insurance deals, just because their occupants rent rather than own the property.

This is the opinion of Simon Vella, managing director of insure4excess.com who is concerned that insurers are unwittingly overlooking tenants when it comes to money-saving offers. He comments: "The number of people in rented accommodation is increasing, yet insurers have recently been promoting free contents cover with building policies. How does this benefit the ever-growing number of tenants who want a standalone contents policy?"

According to the Survey of English Housing, the number of privately rented properties soared to 3 million at the end of last year, up from 2.7million in 2007. This, plus 3.8million social renters, accounts for nearly 32% of UK households.

Vella continues "Many people will be forced to rent either because they're unable to access credit or because they've lost their homes due to repossession. Whatever the reason, they will not want to see offers that only apply to homeowners."

Insure4excess.com's policy Excess Protection doesn't discriminate against tenants – its annual cover pays back excess costs incurred on the five most commonly-held policies – motor, home (buildings & contents combined or standalone buildings or contents), travel, pet and private medical insurance (PMI). It's the only excess insurer to do so.

Vella believes a high proportion of tenants do not have contents cover, either because they cannot afford the premiums, are under the misconception their landlord has possessions insurance or because they wouldn't be able to afford the excess as well as the premiums if they had to make a claim.

Uswitch.com recently revealed 30% of renters do not have contents cover – despite three quarters of tenants admitting they wouldn't be able to afford to replace their valuables if they were stolen or damaged.

According to the AA Insurance Premium Index, in January this year, the average cost of household contents cover was £123. An average contents excess is £100. Vella concludes: "The Association of British Insurers estimates that one in 16 households with contents cover put in claims every year. However, I suspect the number of people who accidentally damage their possessions or fall victim to burglary is far greater as there are swathes of society without insurance. With the excess nearly the same price as the

annual premium, it's not surprising to find sceptics who are wary of paying for cover and then paying again when claiming.

"I believe Excess Protection is socially responsible because if consumers don't claim on their policies, the cost is recouped via premium savings made by choosing a higher excess in the first place, and if they do claim, the excess is reimbursed. It may even encourage more people to take out contents cover, secure in the knowledge their premiums will be cheaper and the excess will be paid."

An Excess Protection bronze policy is £35 and covers up to £250 worth of excesses, silver is £55 and reimburses up to £500 and gold is £69 and pays up to £750. An unlimited number of claims can be made on these policies, providing they do not exceed the excess limit.

Insure4excess pioneered car rental excess cover eight years ago, via its insurance4carhire brand and is part of the Towergate Partnership - the largest independently-owned insurance intermediary in Europe.

Ends

Note to Editors

Insure4excess

Standalone building and or contents and second holiday homes are included within the home insurance definition, as are people named on a partners' motor policy and all immediate family members included on the main PMI policy.

Insure4excess.com is a trading name of Towergate Underwriting Group Ltd which is authorised and regulated by the Financial Services Authority.

Excess Protection is arranged by Strategic Insurance Services Limited - authorised and regulated by the Financial Services Authority. Benefits under this policy are underwritten by Inter Partner Assistance – a member company of the Global AXA Group.

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