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22/08/2017

**INCORRECT HOME INSURANCE COULD BE COSTING BRITONS £125M EVERY YEAR**

**Begins**

Analysis of government statistics has shown that there could be over three million unoccupied homes in the UK, with just under 1.3m properties not having the right home insurance.

As of 1 April 2016, there are 23,928 properties recorded as vacant and owned by local authorities in England. This number has declined significantly since the turn of the millennium, where local authorities in England had recorded owning 87,200 vacant dwellings.

Of the 24,000 empty buildings currently owned by councils in England, 3,152 are properties within London Boroughs, which have been vacant for over six months and are not currently available for letting.

Figures published in August 2017 by the Resolution Foundation have shown that between the years 2000 and 2014, the number of people with privately-owned, multiple properties in the UK, has risen from 1.6m to 5.2m. The analysis suggested that the majority of these owners were not landlords, with perhaps as many as 3.4m people having an empty property that was not being used to let. Government statistics show that 589,766 properties were recorded as vacant on 03 October 2016, with 200,000 of these empty for at least six months.

Although these empty properties will not solve the current UK housing shortage problem, there is a need for local councils to ensure that owners are encouraged, and where appropriate, required to release wasted resources.

During the first six months of 2017, the team at specialist home insurance company [www.coverbuilder.co.uk](http://www.coverbuilder.co.uk), have noticed a large increase in the number of home insurance policies taken out for properties with no occupants. Rob Rushton, head of CoverBuilder said, ‘’we have seen a significant rise in the number of home insurance policies, where people need insurance for an unoccupied property. This could be due to inheritance, people working abroad, properties purchased for holiday homes, or purely used as an investment’’.

Insurance providers will define a vacant property as a building that is unoccupied for over 30 days. Unoccupied properties are at much higher risk of damage, particularly as a result of vandals and thieves. Most standard home insurance policies state that your property must not be unoccupied for more than 30 days, meaning it’s likely that the policy will be invalidated and any insurance claim will be rejected.

CoverBuilder surveyed 574 owners of unoccupied properties and were alarmed to find out that only 219 (38%) were protected with insurance that covered unoccupancy.

Damian Downey of CoverBuilder said, ‘’the number of properties incorrectly insured is very concerning. With the statistics that we’ve been analysing, there could be 1.3m empty houses with insufficient home insurance across the United Kingdom. If 12% of UK houses are unoccupied for over 30 days, then in line with domestic house insurance claim statistics, £125m is potentially being dismissed due to insufficient insurance each year.

‘’As 1 in 10 of the UK population is a multi-home owner, I would urge anyone with an unoccupied property to check their policy documents and make sure that they have the correct home insurance cover for their property’’.

For more information on unoccupied house insurance, visit [www.coverbuilder.co.uk/unoccupied-property-insurance](http://www.coverbuilder.co.uk/unoccupied-property-insurance)

**Ends**

About CoverBuilder

CoverBuilder was formed in April 2014 as a subsidiary of Source Insurance Ltd. Source has been successfully serving the intermediary market (financial advisers, mortgage brokers and other advisory services) as a leading provider of insurance services for 24 years.

CoverBuilder launched by specialising in protecting property buyers against losing money if their property purchase fell through. After helping many buyers over the course of the past two years, it was time for a new challenge and a new product.

In 2017 we launched our home insurance service, targeting the growing number of people out there who have issues finding cover, or feel they are being unfairly penalised.

CoverBuilder works with major UK insurers to provide a choice of policies to our customers. Think of us as a form of comparison website, where we negotiate deals and offer you a policy to match your needs.

The next part of our story is going to be really exciting. By fully utilising the power of mobile technology and simplifying the insurance buying process, our customers will have a revolutionary way to protect the areas of their life that are important to them.

CoverBuilder is a trading style of Source Insurance Limited which is authorised and regulated by the Financial Conduct Authority.

Registered Office: Drake House, Plymouth Road, Penarth, Vale of Glamorgan, CF64 3TP

Registered in England & Wales No. 2864963

Contact Name: Damian Downey

Email Address: [damian.downey@coverbuilder.co.uk](mailto:damian.downey@coverbuilder.co.uk)

Sources

The Office for National Statistics

The Department for Communities and Local Government

Please see attached documents

1. Households By Region 1996 to 2016
2. Local Authority Housing Statistics data returns 2015 to 2016
3. Local authority vacant dwellings England 1989 – 2016
4. Vacant dwellings by local authority district England, from 2004