

# Tenants' Contents Insurance Scheme

## The Need

Research carried out by the Housing Corporation and the Joseph Rowntree Foundation showed that a large proportion of landlords did not offer a tenants' contents insurance service to tenants. The reasons cited for limited implementation of schemes included:

- tenants' contents insurance is not regarded as a priority
- social inclusion programmes are only recently established
- lack of awareness of the potential benefit to landlords
- many Residential Social Landlord (RSL's) too small to run viable schemes independently
- complex administrative systems
- concerns that chasing insurance premium arrears will get in the way of chasing rent arrears
- difficulty accessing quality insurers
- minimum sum insured too high
- prohibitive policy exclusions
- lack of easy premium payment
- minimum standard of security

Historically, many tenants in social housing have been excluded from obtaining home contents insurance as a result of living in, or nearby, a designated area with high instances of crime, or because their property does not meet the minimum security requirements set by the insurer. Further problems had been encountered when making claims as the policy held by the tenant was designed for use by owner/occupiers leaving the tenant without cover for certain claims.

## The Partnership

Consortium Procurement appointed Marsh UK in 1998 to design a Tenants' Contents Insurance Scheme tailored to meet the needs of tenants of local authorities, Registered Social Landlords and Arms Length Management Organisations.

Following a European procurement exercise (OJEU) Royal and Sun Alliance were appointed to be the carriers of Consortium Procurement's unique insurance designed specifically for a landlord/tenant situation with the brand name of SIMPLE (Simple Insurance Making Peoples Lives Easier).

SIMPLE Insurance offers a home contents policy to all tenants in social housing. The service is free to Consortium members and all policy administration can be outsourced so there will be no additional burden on your organisations resources.

The scheme is designed to meet the individual and differing needs of Consortium members and their tenants, taking into account the resources available with regard to administering, marketing and promoting a tenants' contents insurance scheme.

The benefits of SIMPLE:

- exclusive to Consortium Members
- more than 50 members using the scheme
- over 26,000 tenants on cover
- no 'blighted' postcode area
- affordable weekly premiums
- new for old cover and nil excess
- 24 hour helpline
- range of policy cover and no subrogation
- ease of administration and full marketing support
- rates fixed for three years
- annual scheme review meetings
- no need to tender individually
- no compulsory security requirements

## How to Access this Agreement

As this agreement is fully OJEU compliant, members can offer this scheme to their tenants without the need to carry out their own tender process.

To enable a quotation to be provided we will require the following information:

- stock size
- list of full postcodes including the number of properties managed within that postcode
- approximate percentage of tenants over the age of 60
- choice of administrative method – full insurer administration or landlord administration

For further information regarding this agreement, please contact the Business Development Team on: 0191 566 1000 or email: [solutions@consortiumprocurement.org.uk](mailto:solutions@consortiumprocurement.org.uk)



Simple

Simple Insurance making peoples lives easier