



Understanding General Insurance

With normality resuming and furlough coming to an end, many people are returning to their pre-covid lifestyles. Throwing caution to the wind, however, is never normally the best option – and the same applies when getting insured. General insurance is a non-life insurance cover for damage or loss that can cover all sorts of things to help protect yourself as the world begins to move on from the pandemic.

First of all, one of the most important things when it comes to general insurance is making sure you understand the difference between the two types. There is buildings insurance, which covers you against damage to your home caused by:

- Fire
- Storms
- Explosions
- Vandalism
- Vehicle collisions
- Falling trees
- Bursting of plumbing

A buildings insurance policy will

provide financial cover if any of the above were to occur. It's important to note that buildings insurance is mandatory with any mortgage. The other common type of general insurance is contents insurance, which covers almost anything of value you may have in your home such as:

- Furniture
- Jewellery
- Electrical appliances
- Clothes
- Antiques

Both of these types of policy can save you from financial

turmoil if something bad were to happen and are essential for all homeowners. The cost of the policy is partially determined based on what is being covered. The three main determinants for general insurance premiums are: the construction of the property; the location of the property and the cost of reinstating/ repairing the damage to any possessions or the home itself.

For example, if you own a one-bedroom flat in a small town with very few lavish possessions, you wouldn't be paying anywhere near as much for your policy as a jewellery collector living at the foot of an active volcano in a thatched cottage – but that should really go without saying.

After the pandemic, it has never been clearer how important it is for us all to be protected, even against things that we couldn't imagine would ever happen to us – after all, who saw a global pandemic coming?



If you'd like to discuss the options available to you, contact your adviser today.