

20 August 2002

For immediate release

**HALF OF UK HOUSEHOLDS HAVE INADEQUATE INSURANCE,
WARNS LIVERPOOL VICTORIA**

- **One in five has no home contents cover at all**

Half of UK households are underinsured on their home contents, warns Liverpool Victoria. Research carried out by the UK's largest friendly society+ shows that less than half of UK households have adequate cover, and many people either just take a rough guess on the value of their contents or have no cover at all. This could leave around 25 million people in the UK unable to replace all their contents if the worst should happen.

Liverpool Victoria's research found that when calculating the value of their home contents:

- one in five householders guessed the value
- 12% used last year's figures (which could be well out of date)
- almost 10% had no idea
- 2% couldn't say how they worked the value out
- 20% used the cost of the items at time of purchase rather than their current replacement value.

The groups most at risk are:

- the over 65 age group, of which 17% do not have any home contents insurance at all
- younger people – two in five (39%) of the 18 to 24 age group have no cover
- people in the South East, as one in four do not have any home contents cover
- lower income groups, of which more than a quarter (27%) have no contents cover.

Nigel Snell, Head of External Affairs, Liverpool Victoria, comments: "It is alarming to think that so many people risk not being able to replace their belongings by having insufficient levels of cover for their home contents.

"In particular, if people have an overall sum insured policy, and do not have sufficient levels of cover, any claim may be proportionately reduced to reflect the level of underinsurance, or the claim could even be refused altogether."

To be sure that all household contents items are covered, people should opt for a home insurance policy offering blanket cover. Liverpool Victoria's Home Insurance offers up to £125,000 worth of contents cover automatically, which is more than enough to ensure that the majority of householders do not suffer from under-insurance.

To find out more about Liverpool Victoria Home Insurance, call

0800 680 690 or log on to www.liverpool-victoria.co.uk

[In order to continually improve customer service calls may be monitored or recorded.]

For further information please call

Kate Coney
Press Officer, Liverpool Victoria
01202 502204

Jon Atkins/ Sophie Gerard
Lansons Communications
020 7490 8828
iona@lansons.com/sophie@lansons.com

Notes to Editors

HOME INSURANCE

Liverpool Victoria Insurance Company Limited is a wholly owned subsidiary of Liverpool Victoria Friendly Society Limited. Liverpool Victoria Insurance Company Limited, registered in England no.3232514, at County Gates, Bournemouth BH1 2NF, is a member of the Association of British Insurers, the General Insurance Standards Council and the Financial Ombudsman Service.

Liverpool Victoria takes into account many elements of an individual risk when calculating a Household insurance premium, which includes properties likely exposure to Flood (and various other perils, e.g. storm/subsidence/theft), enabling them to accurately rate a property, regardless of its location and loss history.

Liverpool Victoria Insurance Company provides private home, car and travel insurance.

Home	0800 680 690
Car	0800 608 608
Travel	0800 373 905

Calls may be monitored/recorded

Information can be obtained on-line at www.liverpool-victoria.co.uk.

Special features of Liverpool Victoria's Home Insurance include:

- high limits of cover - £125,000 minimum contents, £500,000 minimum buildings.
- new-for-old cover for most contents.
- replacements for many lost or damaged items delivered FREE to your door.
- 24 Hour Claim Line.
- 14 day money back guarantee (subject to no claims being made).
- savings on premiums by building up points through use of the Liverpool Victoria Credit Card.

LIVERPOOL VICTORIA

Liverpool Victoria Friendly Society, formed in 1843, is the UK's largest+ Friendly Society with about 1 million members and customers who trust us to manage around £6.5 billion of their money. The Liverpool Victoria group of companies provides a broad range of financial services, including life assurance, general insurance, asset management, banking, credit cards, independent financial planning advice and is the only friendly society to own a bank. As a mutual organisation, owned by its members and with no shareholders, and therefore no dividends to pay, Liverpool Victoria can use all profits to the advantage of members in terms of competitive rates, terms of cover, investment performance and service.

+ Source Association of Friendly Societies Year Book 2002-2003.

Registered office: County Gates, Bournemouth, BH1 2NF.