

## Insurance for renters, flatters and students

Many insurers provide policies suited to people who are renting, flatting or living in education accommodation. No matter your situation, it's worth being insured so you're covered should something go wrong.

### What you need to know

#### Arranging contents insurance

Your insurer will require specific information about the place you live and the things you own, including

- the address and age of the place you're living
- whether the property has an alarm or other security features
- the number of people who live with you
- how much cover you need
- whether you own any high-value items like jewellery, watches, valuable collections, bikes or cameras – many of these things will have maximum cover levels unless you have itemised on your policy.



**Most insurers have calculators on their website to help you work out how much contents insurance you might need.**

#### Contents insurance and flatmates

Your contents insurance only covers you and your belongings. Your flatmates will need to take out their own insurance to have the things they own covered.

#### Boarding schools and tertiary accommodation

If you are a student living in a boarding school, halls of residence or other student housing, ask your parents to contact their insurer to find out if you're covered under their contents insurance. Many policies will provide cover up to a maximum amount.



**Check how much you're covered for under your parents' policy and make sure it's enough for the things you own. If it isn't, you may need to take out your own insurance policy.**

### Types of cover

Different insurers offer different types and levels of cover. Make sure you shop around to get a policy that covers you for what you need at a price you can afford.

#### Present-day value

Present-day value covers your contents for their depreciated value. This means any payment you receive for your contents will be based on their second-hand value at the time they were lost or damaged.



When you make a claim, your insurer will ask for receipts for things you've lost or had damaged to help them verify what you've lost.

#### Don't

- add things to a claim that you haven't lost or never owned
- say things that belong to your friends or flatmates belong to you
- say the things you've lost are newer or flashier than they actually are.

Deliberately giving your insurer incorrect information is insurance fraud and it's illegal.



#### Example

Your flat is broken into, and your 3-year-old laptop is taken.

If you have a present-day value policy, your insurer will pay you what it would cost today to buy the same laptop in the same condition from a second-hand store or website.

They will not pay you

- what you originally paid for your laptop
- what it would cost you today to buy a new one.

If you have a replacement cover policy, your insurer will give you a new laptop of the same brand and similar value to the one you lost.

### Replacement cover

This means any items you lose will be replaced with new items. Some policies have limits around what they will replace as new. Your policy may

- only cover replacement if the item was bought within a certain time period
- exclude some items from replacement cover.

For any items excluded from replacement cover, insurers will generally still pay their present-day value if they're lost or damaged. Check your policy documents to understand what you are and aren't covered for.

## Extra benefits contents insurance may provide

### Temporary accommodation

Temporary accommodation cover will typically cover the costs of you living somewhere other than your home due to an insured event – such as an earthquake, flood or fire.

Temporary accommodation cover usually only kicks in when your home is damaged in the covered event to the point that you can't live in it.

### Legal liability and bodily injury

If you accidentally damage or destroy someone else's property, you might be required to pay for the damage. If your insurance policy has legal liability cover included in it, your insurer may pay for the damage you did on your behalf.

Legal liability cover is common in contents insurance policies and is usually capped at a maximum amount. Most insurers also provide cover for accidental bodily injury – that is, any injury you or your actions cause another person to suffer.

Usually, this would be used to top up any differences between what the injured person receives from ACC and what a court orders should be paid.



**Most insurance policies have maximum payment caps on their temporary accommodation, legal liability and bodily injury cover.**

They also have requirements you need to meet to qualify for the payments.

Read your policy carefully to understand what cover you have and if you have any questions, speak to your insurer.

## Disclaimer

The information herein is provided as a general guide only. It is not a substitute for seeking your own professional advice.