

Insurance and Financial Advice after Divorce or Separation

Once you've been through the painful process of agreeing who's going to have what, you'll need to make sure you have the right insurance in place - and that it's up-to-date. If you were previously not the partner who arranged insurance, this may seem like a daunting prospect. We've put together a guide to answer some of your questions. Do **get in touch** if you'd like some help - or just a sounding board. We have a great team of friendly people who really know their stuff and they're ready for you!

You may need to consider insurance for the following:

- ✓ Home – particularly valuables like jewellery, art and antiques
- ✓ Car(s)
- ✓ Boat(s)
- ✓ Pets
- ✓ Travel
- ✓ Holiday home(s)
- ✓ Rental property/properties

The good news is that these days you can insure all of these on a single **“Portfolio” policy**. This can save you a lot of time, cost and admin because there's only one renewal date and one set of paperwork.

It's important to get a **valuation** – for your property but especially for art, antiques and jewellery, whose values change with trends and economic cycles. If your valuation is out of date, you could end up either not getting a full claim settlement (for undervaluation) or paying too much for your insurance (for example, if your gold jewellery had dropped in value). We can connect you with a good valuer and get this done easily.

You also need to think about security and managing your risk – alarms, safes, fire prevention and leak detection. Again, we can pull together all of these services for you.

La Playa provides specialist insurance and advice for affluent private clients. We're friendly and personal, and we'll provide individual advice and cover based on an in-depth understanding of your specific situation.

We'll help you choose the best policy and advise on risk management measures such as valuations, security, fire prevention and property marking - preserving the value of your property and giving you complete peace of mind.

Another issue to consider is your **financial planning**. La Playa Financial Management provides a full financial service, with tax and investment advice all under one roof. Mike Palmer, our financial services expert, can craft for you an individually tailored plan that will help you get where you want to be financially. We can help with Family Protection, Retirement/Pension Planning and Savings & Investments.

Insurance FAQs:

1. Should I use a broker or purchase direct from the insurer?

A broker can provide independent advice and negotiate for the best cover for your individual needs. As a broker takes the time to get to know you, they can often advise on ways to keep your premiums down – click here for our tips: [It Doesn't Matter Who You're Insured With. Until It Does](#). It depends on how you prioritise price over cover and advice:

- If your home is valued below £350,000 and your assets are straightforward, you may wish to deal with a direct insurer or provider.
- For homes valued between £350,000 & £750,000, a specialist broker such as La Playa can provide a mid-net worth insurance policy.
- For property values which exceed £750,000, older or unusual properties and any non-standard home contents such as antiques, jewellery collections, valuable gardens or marine craft, we recommend a specialist broker such as La Playa. La Playa provides independent expert advice on the best policies at the best terms, and excellent personal service.

2. What home contents do I need to include in my “sum insured”?

Many people overlook the cost of replacing items like curtains, bedding and wardrobe contents – did you know the average family's wardrobe would cost between £35,000 and £45,000 to replace? Use our handy checklist to make sure you have everything covered.

3. What does “under-insurance” mean?

It's your responsibility to get your “sum insured” accurate – and we can help with that. Research

indicates that nearly half of UK homes are under-insured. Under standard policy wordings the insurer may only pay out in proportion to the level of under-insurance. This could affect partial losses too.

4. What is “reinstatement value”?

“Reinstatement value” reflects the cost of rebuilding your home to its original specification after a “total loss” such as a fire. This is different from the “market value” which may reflect the desirability of location. A city centre apartment might be very expensive to buy but less costly to rebuild. If you insured the “market value” you would be paying too high a premium. However if you had a period property, the cost to rebuild it to its original specification could be extremely expensive, so ensuring you were covered for the “reinstatement value” would be absolutely vital. If the property is listed, you may be required by law to reinstate like with like, and may have to fund any shortfall in insurance.

5. Do I need a valuer?

Jewellery and art values fluctuate with trends in fashion and in supply and demand for materials such as precious metals and gemstones. If you have expensive jewellery, fine art or antique furniture, a proper valuation and documentation will save a lot of heartache when it comes to a claim. Consider taking photographs of important pieces in the home (indicate scale with a ruler). A room-by-room camcorder exercise is always useful - the recording should be kept in a fireproof cabinet or away from the home (at the office or bank).

Case Study

A divorcee was unable to insure her collection of fine paintings and glass because her ex-husband refused to disclose the valuations to her, resulting in distress and considerable financial risk. With the help of a specialist broker she was able to contact a valuer, finalise the worth of the items and get the right insurance.

6. Are my children’s possessions covered while at my ex-partner’s house or while travelling with my ex-partner?

Specialist policies bought through a broker usually provide worldwide cover. If you are not using a broker or specialist policy you need to check whether this is covered.

7. What are the benefits of a specialist “high net worth” policy?

If your home is worth £500,000 or more, you should consider a “high net worth” insurance policy. Mainly available through brokers, these policies provide very comprehensive cover with minimal small-print restrictions. They are designed for people with more complicated assets and busy lifestyles –

with the introduction of **portfolio policies** you can insure homes, cars and boats on a single policy. Resulting in less admin and often may mean a lower premium.

Benefits include:

- **Extra covers:** many insurers provide a complimentary survey to help establish what you need to insure. Some provide unlimited cover for buildings so there are no concerns with under-insurance. There are also extra covers for domestic staff and costs relating to stalking, road rage, car-jacking, kidnap and ransom, aggravated burglary.
- **Claims:** specialist policies allow you to select your preferred supplier or repairer rather than being limited to the insurer's discounted choice. Claims are paid in cash so that you can choose whether or not to replace lost items, and the claims service is usually swift and hassle-free.
- **Is your home listed?** As part of our cultural heritage, listed buildings are protected by law. In the event of a fire or flood, you'll need sound advice and you may need specialist craftsmen using authentic materials for repair. A standard policy may restrict you to the insurer's "preferred" builder/joiner.
- **Period building?** 70% of repairs to period homes are undertaken by non-specialist construction workers using inappropriate materials. This could affect the integrity and value of the property. A specialist policy will allow you to employ skilled craftsmen for the work.
- **Damaged an antique ring?** It may not be ideal to have it sent off to a high-street jeweller for repair – which many standard policies will insist on.
- **Wine collection?** A flood in the cellar soaked off the labels from one householder's valuable wine collection – but with a specialist policy in place, they ended up home and dry.
- **Inherited some paintings?** You'll need advice on getting them valued to make sure you don't fall into the common trap of under-insurance.
- **Burst pipe under your valuable slate floor?** If the plumber has to break through the floor to access it, the damage may not be covered! Specialist policies include "trace and access" cover.

It's important to work with a broker who has the expertise to tailor cover for your specific needs and give you the advice and support you need.

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