

Value Statement – Assurant Residential

For UWY 2022 (Completed December 2024 to cover 2024-2025)

Summary

The customer profile (target market) for this scheme/product is for UK Residents who own their home and whose properties need to be insured up to £1million and contents need to be insured up to £80,000. There is no indication that the product is being sold outside the target market.

The Assurant Residential product is distributed through mortgage brokers, financial advisors, mortgage clubs and networks via a bespoke quoting platform and not available online.

Ageas remain the capacity underwriter and are responsible for all claims, whilst Assurant are responsible for the distribution of the product. Whilst Ageas acts as the manufacturer of the core home insurance product, they do not provide any add-ons which are sourced separately by the broker.

Assurant Residential is offered to customers both on annual payments and monthly via a Premium Finance facility. However, Ageas is not the Lender for the Premium Finance, with this being managed by the distributor, a reminder is given to the broker on ensuring that the product offers value to customers, and their responsibility to ensure that this is assessed, and any appropriate actions taken.

Assurant are not currently presenting any Third-Party Governance concerns. Fraud rates, 14 Day Cancellations, Risk Events and Commission Breaches continue to be monitored by Ageas Risk & Governance Team.

The average premium is appropriate given the level of cover and service offered.

The distribution approach remains appropriate for the target market and contributes to fair value and good outcomes for customers.

Assurant Residential Target Market Statement

Our Intended Customer(s)

Who they are (i.e. their characteristics):

- Customers who are looking for household insurance cover for Buildings and/or Contents.
- Customers aged 18 or over and who reside in the UK

Why they are buying insurance (in order of importance):

- They want to protect their buildings and/or contents against loss or damage.
- Peace of mind.

What they want from it:

- The Assurant Residential product offers cover for; loss or damage from fire, storm, theft, leaking or freezing water and flood.
- The Assurant Residential product offers cover for properties in the UK for customers who required up to £1m Buildings sum insured and up to £80k contents cover.
- Properties can have no more than 5 bedrooms.
- The product offers optional covers customers can purchase to increase the level of protection they have. These include cover for personal belongings, accidental damage and legal expenses.
- Policies cover a period of 1 year, and customers may renew their home insurance policy if certain criteria are met.
- Mid-term changes to the policy are permissible if acceptance criteria are met. This accommodates changes in address and property details.

What the Product Offers the Customer

Features:

- The Assurant Residential product offers cover for cover for damage from a wide range of causes including fire, storm, theft, leaking or freezing water and flood.
- Cover up to £1m Buildings and £80k contents for properties up to 5 bedrooms.
- The product offers optional covers customers can purchase to increase the level of protection they have. These include cover for personal belongings, accidental damage and legal expenses.
- Policies cover a period of 1 year, and customers may renew their home insurance policy if certain criteria are met.
- Mid-term changes to the policy are permissible if acceptance criteria are met. This accommodates changes in address and customer and property details

Understand People + Simplify Insurance

What is our sales pitch to customers (i.e. why us?)

Assurant Residential is a home insurance product that offers cover to meet the needs of UK residents looking to insure a property. Our Buildings and Contents insurance product is backed up by award winning customer and claims services. For example, Ageas* won Gold in the 'Personal Lines Insurer of the Year' category at the Insurance Times Awards 2023.

How the product can be distributed to customers?

- This product is distributed through mortgage brokers, financial advisors, mortgage clubs and networks via a bespoke quoting platform. Assurant intermediary products are not sold via comparison sites,

Groups of customers to be aware of and monitor to ensure good outcomes:

- Customers who have higher vulnerability, whether financial or physical as this may impact their ability to keep the insured property at an insurable standard.
- Mature clientele who may not have a comprehensive grasp of the complete policy terms and conditions.
- Long tenure (4+ years) customers, ensuring their objectives and desired outcomes are still met by the product.
- Customers that may have dual insurance, such as travel insurance that covers items away from the home, this could impact them at point of claim and cause delays or declines.
- Customers who have additional terms placed on their policy, e.g., building works terms, that may affect their ability to claim.
- Customers who are making many claims as this may impact their future insurability.

Customers to whom we should not be selling this Product

- Customers whose home cannot be rebuilt completely for the £1m limit provided.
- Customers whose contents cannot be replaced as new for the £80k limit.
- Customers whose property exceeds 5 bedrooms.
- Customers with unspent criminal convictions.
- Customers who do not reside in the UK.
- Customers under the age of 18.
- Customers seeking business related property insurance whereby a commercial product may be more suitable.

Behaviours/practices on this product that could cause harm

- Use of complex language in policy documents could confuse customers, especially older or less experienced customers. If policy terms and conditions are not easily comprehensible, it can lead to unintended exclusions or inadequate coverage.
- As the product offers cover to customers aged over 50 years old, exclusions related to wear & tear where consumers may not be physically fit enough to assess property/roofing conditions could cause harm if claims are rejected due to exclusions.
- Conducting fair pricing practices to ensure customers who are less able to shop around do not end up paying overinflated premiums.