



Making claims an all-round better experience

When your client makes a claim, you want them to have the least stressful experience possible. That's why it's important to make sure all information provided at the quote stage is accurate, to help avoid any kind of misrepresentation down the line.

Here's how to ensure your clients are fully covered

Step 1

Ask every SmartQuote question in full
Make sure you cover all five questions fully, especially around claims history, so nothing important gets missed.

Step 2

Check and confirm assumptions
We also make assumptions about your client and their property. Make sure your client understands and confirms them to ensure they have the right level of cover in place.

Step 3

Tailor the cover to your client's needs
Knowing your client's lifestyle really makes a difference. Our Contents and Personal Belongings checklists can help prompt your client to think about their needs.

We've included 3 scenarios that highlight learnings, and what could have been done differently. These might also be helpful to refer to when you're asking clients for more detailed information.



Scenario **1****The issue**

Following a claim for accidental damage to a laptop, it came to light that there were several undisclosed claims in the name of the partner of the policyholder.

The claim that should have been disclosed, was in the name of the partner, who wasn't on the policy. The adviser said they'd asked their client if they'd made any claims in the last 5 years.

The adviser confirmed that they'd asked their client if they'd made any claims in the last 5 years. This wasn't the full question, which is, *"Have you or anyone living with you, made any claims in the last 5 years"*

The learning

In this scenario, the claim could have been rejected. It's essential to make sure all householders are included in the question.

The importance of reading questions correctly, and customer disclosure



Scenario 2


The importance of the assumptions

The issue

During the review of a claim for a flooded property, it became apparent that the property had flooded multiple times in the past and that the roof was an unacceptable material. Both factors would have been unacceptable had this been disclosed at the time of the policy's inception.

The customer was adamant that they had told their mortgage adviser about both of these things at the time of sale and there were no issues mentioned.

The adviser wasn't able to prove or disprove whether their client had told them. As the adviser is acting on behalf of their client, we consider the information provided at the time of application to be from the client.

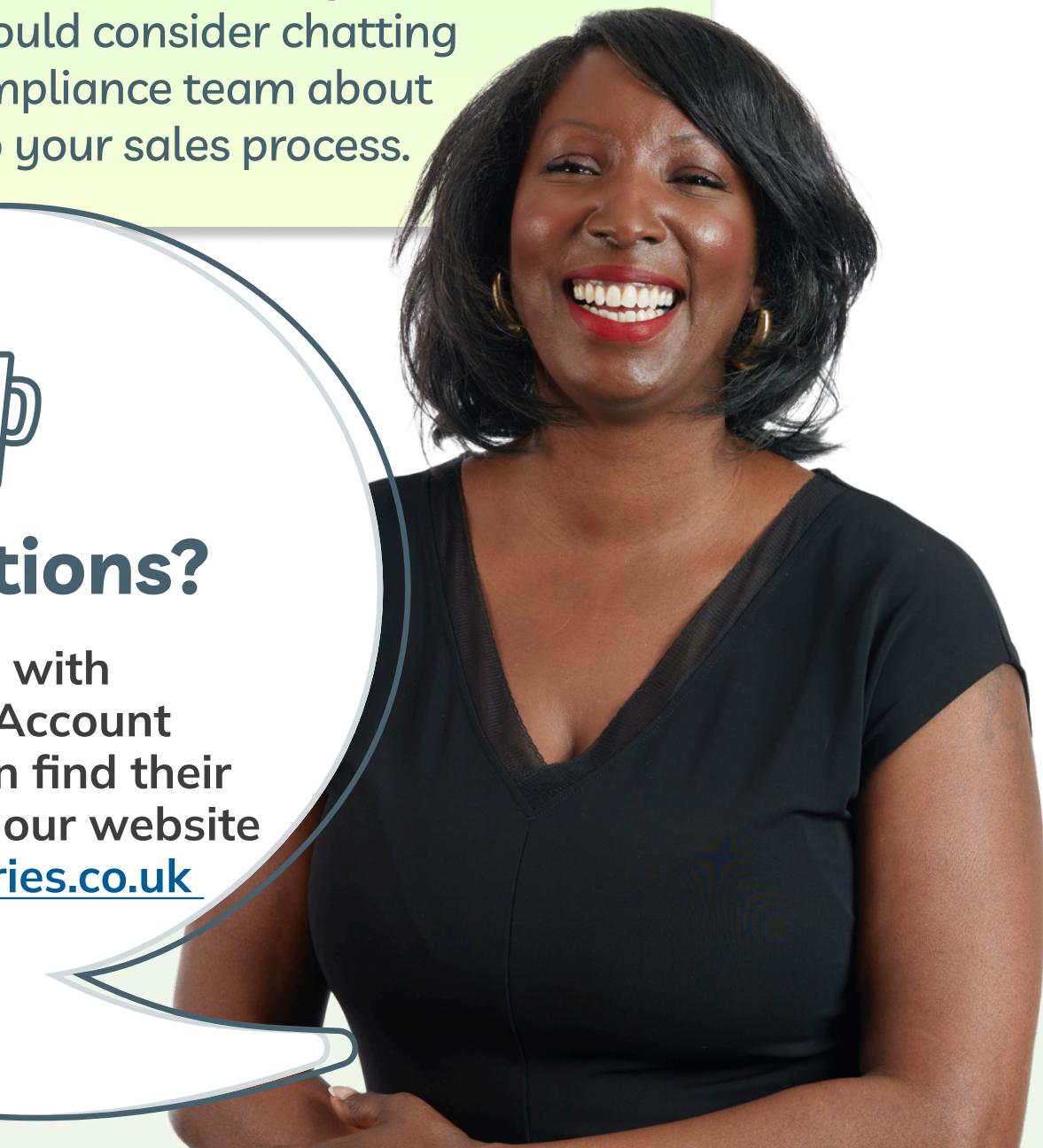
The learning

The policy should be voided in this case, on the basis that the risk wouldn't have been acceptable had we known the correct details.

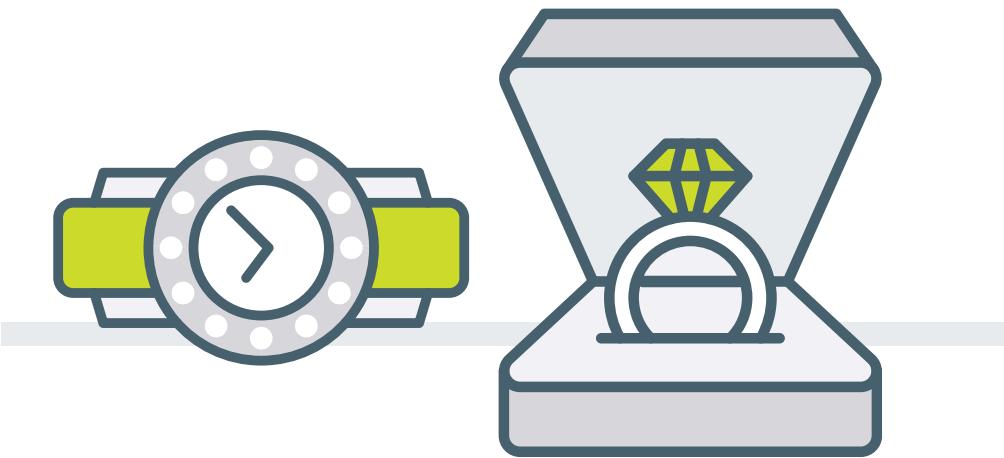
Again, we stress the importance of reading the assumptions and making sure the client confirms them to be true.



We also recommend keeping a record of the conversation for reference. If you don't do this, you could consider chatting with your compliance team about adding this to your sales process.



Scenario 3



Underinsurance and specifying items on a client's policy

The issue

After a claim was made for a loss of an engagement ring when they were on holiday, it became clear that the customer's item hadn't been specified on the policy. The value of the ring was £15,000 and for the item to be covered for loss, they needed to have Personal Belongings Cover and the ring needed to be specified on the policy.

The client made us aware that at the time of sale they weren't asked about items away from the home.

As the cover wasn't selected, we were unable to pay the claim.

The learning

As the cover wasn't selected, we were unable to pay the claim.

This highlights the importance of understanding your client and their lifestyle. For example, do they have children, do they travel frequently, or own valuable items like art or jewellery? These factors could influence the type and level of cover they require.


Any questions?

Get in touch with your Regional Account Manager. You can find their contact details on our website lvgi-intermediaries.co.uk





Here are 3 possible outcomes in cases of misrepresentation



Amend

We could amend your client's policy with the correct information, apply any relevant terms and conditions, collect any additional premium (including any administration charges). If they pay monthly, they'll need to pay any additional premium in full, it can't be added to their instalments.



Reject

Reject a claim or reduce the payment we make.



Cancel

Cancel or void their policy (treat it as if it never existed), including all other policies they have with us and apply a cancellation charge.



Hopefully you now have a clearer idea of what's involved in ensuring your clients disclose all the relevant information. And how to avoid any kind of misrepresentation with their claims.



We'll be making these assumptions about your client when you run a SmartQuote

Assumptions checklist

We've made the following assumptions about your client and anyone living with them:

They do not have any unspent criminal convictions (excluding minor motoring offences)

We've made the following assumptions about your client's property and its outbuildings:

It's your client's main residence and lived in by them and their family

It's self-contained with its own front door

It's not used for any business purpose other than paperwork, computer work or telephone calls

It's normally occupied at night or during the day and not left unoccupied for more than 60 days in a row

It's never suffered from flooding and/or is not located in an area which is currently under a flood warning

It's never shown signs of subsidence, heave or landslip

The walls are built of brick, stone or concrete

The roof is made of slate, tile, concrete or asphalt

It's not a listed building or protected by a preservation order

It's in a good state of structural repair

If these assumptions aren't true for your client/their property, you won't be able to continue with the sale for Gold or Platinum Home Insurance via SmartQuote.