

HOME INSURANCE CASE STUDY:
**ACTUALLY, IT COULD
HAPPEN TO YOU!**





It's funny how a seemingly innocuous conversation can sometimes change the course of your future.

And yet, that's exactly what happened to Kerry and Gavin Barnes, when a five-minute chat with their financial adviser ended up saving them more than £50,000 – not to mention a whole load of heartache.

As the saying goes, hindsight is a wonderful thing. But when Kerry and Gavin first got talking to Richard Gratsa about their finances, they had no idea how important that conversation would turn out to be. What they did realise, was that they needed a more in-depth discussion about their personal protection options. So in March 2018, they booked an appointment with him to talk through the details.

As a financial adviser, it's a conversation that Richard has had many times before. On this occasion, it resulted in him setting the couple up with life and critical illness cover, as well as a landlord's insurance policy for their rented property in Nottingham. Fortunately, as part of the process, he also asked them about their own personal home insurance, which as it turns out, didn't exist.

"I was absolutely shocked", admits Kerry. "We both just assumed it was in place, but it turns out it wasn't. So obviously that became our main priority." In light of the conversation, Richard then went through the different types of cover available and the Barnes' decided to take out a policy with PaymentsShield – just like they had for their rental property. As an additional option, they chose to

include the optional extra accidental damage cover, thinking this would safeguard them against any mishaps.

"It sounded like a sensible option at the time", Kerry recalls. "And because Richard recommended it, we decided to go ahead."

A SUNDAY LUNCH TO FORGET

In August 2018, Kerry and Gavin were sitting down for Sunday lunch with their three children, when Kerry glanced up to see clouds of thick black smoke coming from outside the window. Her initial instinct was that there may be a problem with her elderly neighbour next door, so she rushed to the back door to take a look. To her horror, she saw that smoke was coming from her daughter's bedroom upstairs.

"It all happened very fast", she explains. "My husband ran upstairs and told me to pass the hosepipe from behind the back door. I grabbed the kids and went outside. But we have two dogs and a parrot, so we had to get them out too – it was a nightmare. As you can imagine, I was absolutely terrified. We were screaming at my husband to leave it and just get out"

Even now, Kerry doesn't like talking about the fire because it conjures up such bad memories. She remembers being shocked by just how quickly it spread and how vulnerable she felt. But she also knows it could have been much worse.

"We live in a dormer bungalow, which is very open plan and there was smoke everywhere – upstairs and downstairs. All I could think was that I wanted to get my family safe. I didn't care about the house at the time – I just wanted my kids out and my husband out. It's hard to explain. I felt so helpless. It's probably the worst day of my life."

When the fire brigade arrived it took a while before the fire was completely out with the wood continuing to smoulder for some time once the flames were extinguished. Fortunately, they managed to contain most of the damage to just one room... although there was smoke throughout the house. On closer inspection, it seems the fire was very close to getting into the rafters of the bedroom, which would have resulted in the whole roof falling in.

FIRST THOUGHTS

After a short while, Gavin and Kerry started to digest the enormity of what had just happened. As it turns out, the fire had been caused by a candle in their daughter's room, which obviously, she felt awful about. But in the grand scheme of events, the most important thing was that nobody was hurt.

Once the fire was out and the building was safe, their thoughts started to turn to their home and what to do next. Their house was devastated by the fire and they were still in a great deal of shock, so they phoned Richard, their financial adviser having never made a claim on their insurance and not knowing where to begin.

"When I got a call from Gavin, I thought he was joking about the fire at first", laughs Richard, "I really did. But when I realised he was serious, I jumped straight in the car and went over there. They'd contacted me because they didn't know what to do from an insurance point of view and were understandably in a bit of shock.

"I just tried to help in any way I could - I spoke to their insurer, guided them through what to do and logged their claim. I then passed on the relevant details, so they could speak directly to the claims team. I also spoke to Paymentshield the day after and they couldn't have been more helpful - they gave me complete confidence that everything would be fine."

PICKING UP THE PIECES

Although Kerry felt much better after speaking to her insurance company and risk assessor, there was a lot to take in and she still had doubts as to how things would turn out.

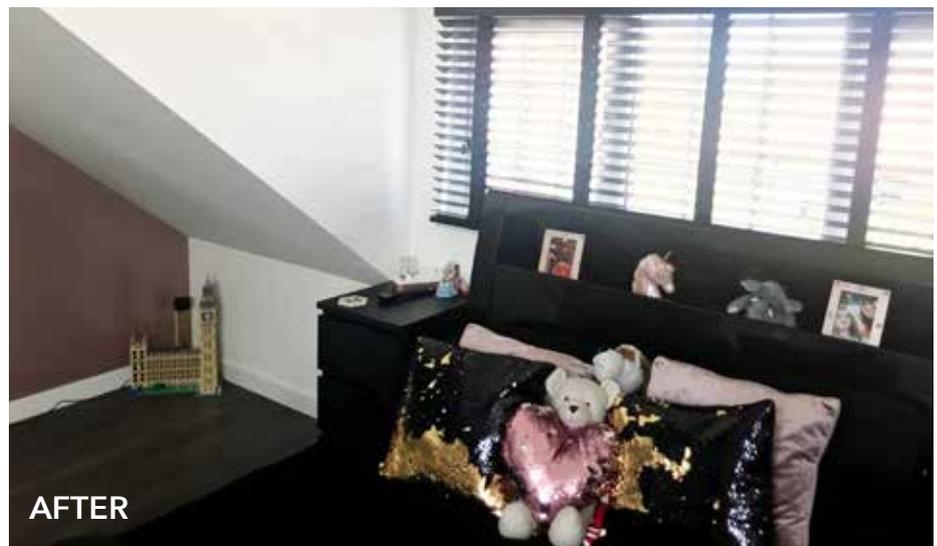
"You hear so many stories about claims not paying out", she sighs. "I thought there was going to be a clause in there somewhere that says we're not covered. There was nothing to suggest that this was the case, I just couldn't help feeling anxious."

Despite her concerns, the claim couldn't have gone more smoothly. The insurer offered to pay for the family to move into alternative accommodation, but as Kerry pointed out, with three kids, two dogs and a parrot, it wasn't the most practical idea. Luckily, because they'd caught the fire early, they managed to stay put - albeit with their daughter having to share a bedroom for a few months.

"The insurers were great", she adds.

"We know quite a few builders and workmen, so they were happy for us to use our own contacts for some bits, as long as we provided quotes. This meant we could get the work started quickly, which definitely helped. For things like the windows, they sent their own companies. So it was probably about 50/50 in the end. It meant we had to pay for some things up-front, but it was all reimbursed."

Kerry explained, the repairs were all fully covered - not just in the bedroom,



but throughout the house. She's also pleased to report that their daughter is now back in her new bedroom and delighted with its new look.

IT COULD HAVE BEEN SO DIFFERENT

Although they only took out insurance five months before the fire, Kerry can't imagine how they would have coped without the right cover in place.

"I don't think people realise just how much they need home insurance", she reflects. "There's always the view that 'it won't happen to me'. But that simply isn't true. We were still in the process of putting our house back together when there was another fire a couple of streets down from us. So it's not as rare as people think. Unfortunately, that family didn't have any insurance to help them out and the windows are still boarded up now. It doesn't bear thinking about."

Richard suggests that a big part of the

problem is that there aren't enough people getting advice. "Everyone uses comparison sites these days, but they use them in the wrong way", he observes. "They're all price driven with the cheapest at the top. But that's not how insurance should be viewed. It's more important to know what you're covered for and what the different benefits mean... otherwise people will be left upset when their claims don't pay out."

Kerry agrees, adding that it's not just about having any old policy in place; it's about having the right cover for your needs. "Advisers are experts at what they do", she concludes. "They are in a much better position to recommend the right policies and you can't put yourself at risk for the sake of a few pounds. Knowing that I'm covered with Paymentshield helps me to sleep at night. It just gives me so much peace of mind."

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