

Insurance for the Big Boys: Block of Flats Coverage

Even if you already own a block of flats, you may not necessarily have considered the most appropriate form of insurance to protect your interests and those of other interested parties, such as the leaseholders and their mortgage lenders. If you are new to the sector, there will be many areas that you need to think about before making any decisions about insuring your property.

Surely, buildings insurance is buildings insurance, isn't it? Well actually, the answer is 'not really'. Different needs arise when looking at 'non-standard' property and, in this case, blocks of purpose-built flats are quite unlike houses that have been converted or, indeed, ordinary homes.

This is because while the basics of cover are the same, insurance companies view the 'risk' differently – partly because the property may be built differently, or occupied by more than one family. If your insurance is not the right sort, you could find yourself with unpaid – or incompletely met – claims.

As the owner of a block of flats it can make sense for you to have ultimate control of the insurance, rather than leaving it to the leaseholders or tenants to do so. This is partly so that you can make sure cover is correct, but also so that there can be no debate over whether all parts of the building are covered. After all, if each flat were to be individually insured, questions could arise regarding whether the shared areas are insured.

Don't skimp on blocks of flats insurance; looking for the 'cheapest' insurance is almost always the wrong thing to do. Nobody wants to pay more than they need to for something that they hope will never happen; but it is important to be sure that your [blocks of flats insurance](#) will be there to pay out if necessary. If insurance companies fully understand the nature of the property they are covering, they will be more inclined to charge a fair premium, and to pay claims promptly should the need arise. And remember, it is not just you that could suffer if things go wrong. Other interested parties could well seek to take legal action against you if the insurance you have arranged fails to pay out and they are left without recourse to insurance.

Arranging blocks of flats insurance is not the same as insuring your own home; there are additional considerations. Ideally, you should seek professional advice from an insurance broker who has experience of the sector, as a result of already working with managing agents, residents associations and property owners. It is also important to ensure that you have access to additional, complementary forms of insurance such as Directors and Officers liability cover that can protect the interests of those running the management company.

So, when considering how to insure a block of flats, do your research, don't skimp and choose a reputable insurer who has experience and knowledge in this particular area of property.

About the Author

Adam Singleton is an online, freelance journalist and keen gardener. He lives in Scotland with his two dogs.

Source: <http://www.tntarticles.com>