

# ECONOMIC DOWNTURN LEADS TO 'UNINSURED POPULATION'

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- One in five Brits does not have home insurance
- A quarter of the 'uninsured' have ditched home insurance due to budget cut-backs
- Careless Brits leave windows open, sheds unlocked and keep large amounts of cash in their homes

Nearly a fifth of UK adults (18%) do not have home insurance\* leaving families to face the financial burden of burglaries or major mishaps, new research by The Co-operative Insurance reveals.\*\*

The research shows that the issue is even more widespread among the under 35s, with more than one in three (36%) admitting they would have to pay out of their own pocket if their furniture, clothes, or family heirlooms went up in flames, because they don't have insurance.

And with more than half of Brits (52%) planning a summer getaway over the next two months, this means that as many as three million people without insurance will be leaving their homes empty for a week or more.\*\*\*

The research also reveals that despite this, many people still make careless mistakes when it comes to securing their home. One in five (20%) admit that they regularly leave windows open while more than one in twenty (6%) keep large amounts of cash in their home. In addition, 16% never lock their garden shed, 13% don't know if their smoke alarm works and 5% leave a spare key under their door mat.

List of most common security risks people take when leaving homes unattended

Number .....	Risk
1 .....	Leaving windows open
2.....	Leaving garden shed unlocked
3.....	Not locking windows (when locks are provided)
4.....	Not checking battery in smoke alarm
5.....	Keeping large amounts of cash at home

The findings also show that more than one in ten people (12%) have been caught out by not having insurance and have had to fund average losses of £358 from burglaries, house fires, spills and breaks out of their own pocket.

Lee Mooney, Head of Home Insurance at The Co-operative, said: "Worryingly, our findings show that a large number of people in the UK are going without home insurance (<http://www.co-operativeinsurance.co.uk/servlet/Satellite/1203668836269,CFSweb/Page/Insurance-Home>), a problem which is particularly affecting the under 35s.

"The issue is that no one thinks they're ever going to need insurance until something goes wrong, and in today's economic climate it's easy not to prioritise it. However, without it, you could be leaving

your worldly goods open to damage or burglary and are risking paying out hundreds of pounds from your own pocket if something does happen.”

The research shows that the economic climate is to blame for creating an ‘uninsured population’ as the top reason for not having insurance is being strapped for cash, with more than half (56%) of those without home insurance saying they can’t afford it.

Nearly a quarter (24%) of those surveyed also say that they’ve stopped paying for home insurance as part of recent budget cut backs, while more than one in four people (26%) say that it features either ‘low’ or ‘very low’ on their list of ‘priority’ household expenses.

The findings also show that the UK’s biggest uninsured population lives in London, with more than one in four adults (28%) taking the risk of not having insurance. The ‘safest’ populations are Yorkshire and Northern Ireland, where nine in 10 people have home insurance.

It also shows that renters are happy to take more risks, as 40 per cent of those who live in rented accommodation forgo home insurance compared to just seven per cent of those who own their own home.

Statistics from The Co-operative Insurance (<http://www.co-operativeinsurance.co.uk/>) also show that over a lifetime, more than eight in 10 people (85%) make at least one claim on their home insurance.

Ends

\* Research surveyed 1,741 UK adults and was conducted in July 2012 by Opinion Matters

\*\* Home insurance refers to ‘contents’ insurance

\*\*\* Calculated as follows:

- UK adult population of 49,122,000 (Source: ONS 30th June 2011), 20% of which don’t have insurance (8,891,082).
- 35% of those are going away for a week or more, which equates to 3,111,828 people