TENANT SCRUTINY REVIEW OF CONTENTS INSURANCE

1. WHY WE CHOSE THE SERVICE

Community Gateway Association (CGA) insures the structure of its properties as the landlord, but this does not cover tenants' furniture, personal belongings or decorations. Tenants are responsible for arranging their own contents insurance if they wish to protect these items against risks such as fire, theft, vandalism or water damage. CGA has arranged a contents insurance scheme for tenants and leaseholders, who may choose this scheme, use another provider or decide not to take out cover. CGA does not sell the insurance or receive any financial benefit when someone takes out the scheme.

The Tenant Scrutiny Group (TSG) chose to review contents insurance following consideration of the following customer insight and internal evidence:

- Some tenants did not understand that they were responsible for insuring their personal belongings and that these were not covered by CGA.
- Cases involving uninsured tenants showed the financial and practical impact following a serious incident. Tenants had been unable to replace essential belongings, incurred recharges or debt and required support from family members, charities and other organisations. In some cases, CGA initially paid costs because the tenant did not have the funds available and then recharged these costs.
- A one-question pulse survey carried out through CGA's tenants' Facebook group found that, of the 31 respondents, 17 had contents insurance, 13 did not and one had not realised they needed it. Overall, 45% either did not have contents insurance or had not realised they needed it.

The TSG recognised that contents insurance is a personal choice and that some tenants may decide never to take out cover. The purpose of the review was to establish whether CGA provides clear information, explains the risks and supports tenants to make an informed decision.

2. SCOPE OF THE REVIEW

The Tenant Scrutiny Group agreed to consider three questions:

1. Is Community Gateway effectively communicating tenants' responsibilities and
   the risks of not having contents insurance?
2. Are there barriers preventing tenants from taking out contents insurance?

3. How effectively does Community Gateway keep tenants informed about contents insurance throughout their tenancy?

3. EVIDENCE REVIEWED

The Tenant Scrutiny Group:

- spoke with the relevant service lead to understand CGA's current insurance offer,
  communications and processes;
- reviewed CGA's website and information provided to tenants;
- considered current scheme take-up and available tenant information;
- reviewed cases involving tenants affected by fires without contents insurance;
- considered recent fire and insurance information;
- commissioned a detailed survey, which was completed by 14 tenants at CGA's Annual General Meeting;
- carried out a small sample of mystery shopping;
- considered the earlier one-question social media pulse survey;
- reviewed information published by several other housing associations; and
- considered National Housing Federation information and wider sector research.

Both surveys involved small sample sizes. Their findings provide useful insight into tenants' experiences and views but should not be treated as representative of all CGA tenants. The mystery shopping findings also reflect a small number of enquiries.

The group considered these findings alongside CGA's communications, processes and
case evidence when reaching its conclusions.

4. WIDER EVIDENCE INFORMING THE REVIEW?

Some of the evidence considered by the group was relevant to the review as a whole rather than to one specific area of the scope. This evidence is summarised below and informed the group's findings and recommendations.

4.1 IMPACTS OF TENANTS NOT HAVING CONTENTS INSURANCE

The group reviewed cases involving fires where tenants did not have contents insurance. These showed that tenants had lost essential belongings and faced clearance, removal and other associated costs.

Some households did not have sufficient savings to meet these costs and required support from family members, community organisations, charities, public funds and CGA. Essential items were not always replaced immediately, while some tenants faced recharges, loans and continuing financial pressure.

The group also sought to review the impact of leaks but found that the available records
did not clearly identify whether affected tenants had contents insurance. This limited the group's ability to assess the wider impact of tenants being uninsured and highlighted a gap in the information available to CGA.

The cases do not demonstrate what a particular contents insurance policy would have paid, as this would depend on the policy terms, limits and exclusions. However, they demonstrate the potential financial and practical consequences when tenants do not have cover.

4.2 WIDER SECTOR FIGURES

The group considered wider figures about contents insurance take-up in social housing. These varied considerably between sources, and the group was unable to identify a sufficiently current and reliable sector-wide or Northwest figure to use as a meaningful comparison.

The group therefore did not use these figures to draw conclusions about CGA's performance.

5. FINDINGS AGAINST THE SCOPE

5.1 IS CGA EFFECTIVELY COMMUNICATING TENANTS RESPONSIBILTIES AMD THE RISKS OF NOT HAVING CONTENTS INSURANCE?

CGA provides contents insurance information during the financial assessment and tenancy sign-up process. New tenants confirm and sign to say that they have received this information. A further text is sent approximately four to six weeks after sign-up, and information is available on CGA's website.

The group found that the information was easy to locate on CGA's website. However, it did not communicate the potential financial and practical consequences of being uninsured as clearly or strongly as it could.

The AGM survey found that 11 of the 14 respondents were fully aware that CGA does not insure their belongings, while three were not aware. Five respondents had contents insurance and nine did not. All five respondents with insurance had arranged cover with another provider rather than through the scheme available via CGA.

Only five respondents remembered receiving information from CGA and finding it useful. The remaining respondents either did not remember receiving information, could not recall the details or were unsure.

Tenants said they would benefit from clearer information about what contents insurance covers and the respective responsibilities of CGA and the tenant. They also wanted examples showing the risks and potential costs of not having insurance.

A small sample of mystery shopping was completed to test what information tenants receive when they contact CGA. All enquiries ultimately resulted in the correct information being provided, either directly or through signposting to another team. However, knowledge and awareness varied between teams. Some colleagues provided clear and helpful information straight away, while others were unaware that a contents insurance scheme was available through CGA. The group therefore identified a need to strengthen awareness and ensure consistent information and signposting across relevant services.

CONCLUSION

The group concluded that CGA's communications need strengthening to improve tenant understanding of their responsibilities and the potential consequences of being uninsured. Although information is provided at sign-up and is easy to locate on the website, recall among survey respondents was limited, some respondents remained unaware of their responsibility and the potential consequences of being uninsured were not communicated strongly enough.

CGA's information should explain the difference between buildings and contents insurance more clearly and use practical examples to help tenants understand the possible impact of not having cover.

RECOMMENDATIONS

The group recommends that CGA:

- reviews and strengthens its contents insurance communications, using clear, accessible language and appropriate formats to explain CGA's and tenants' respective responsibilities and the potential consequences of being uninsured, with practical examples and tenant experiences where

appropriate; and

- ensures that relevant frontline services provide consistent information and signposting when tenants ask about contents insurance.

5.2 ARE THERE ANY BARRIERS PREVENTING TENANTS FROM TAKING OUT CONTENTS INSURANCE?

The AGM survey responses showed that some tenants needed more help to understand contents insurance. This included understanding what a policy covers, estimating the value of their belongings, deciding how much cover they require and knowing how or where to arrange insurance.

Some respondents referred to cost as a reason for not having contents insurance. The limited number of responses means the group could not conclude that affordability is a significant barrier across the wider tenant population. However, the group recognised that cost may influence tenants' decisions, particularly where households are balancing a range of essential expenses.

Other reasons included not believing insurance was needed and not having got around to arranging it. This indicates that barriers may relate to awareness, understanding and the priority tenants give to insurance, as well as affordability.

Information about tenants who have joined the scheme available through CGA is provided to CGA annually. However, CGA does not currently hold demographic information about those tenants or information about tenants who have arranged cover with other providers. This made it difficult for the group to identify patterns, determine whether particular groups are less likely to have insurance or understand which barriers may affect them.

CONCLUSION

The group found indications that some tenants need more help to understand contents insurance and make an informed decision. Affordability may also influence some tenants, but the limited survey sample and lack of demographic information meant that the group could not determine the main barriers or how widely they affect CGA tenants.

Further evidence is therefore needed to understand why tenants do not take out contents insurance and whether particular groups experience different barriers.

RECOMMENDATION

The group recommends that CGA:

- undertakes further analysis, including a wider tenant survey and regular review of scheme take-up and wider tenant insight, to identify the barriers to taking out contents insurance and what would help tenants make an informed decision.

5.3 HOW EFFECTIVELY DOES COMMUNITY GATEWAY KEEP TENANTS INFORMED ABOUT CONTENTS INSURANCE THROUGHOUT THEIR TENANCY?

As outlined in section 5.1, CGA provides contents insurance information at the beginning of a tenancy and sends a follow-up text.

However, there was less evidence of regular communication with existing tenants. Contents insurance had not featured in recent editions of Gateway News, CGA's tenant newsletter, and was rarely featured in communications through digital channels such as social media. The group therefore found that ongoing communication beyond the new-tenant process was limited.

A tenant's household circumstances, finances and understanding may change during their tenancy. A tenant who did not take out insurance at sign-up may make a different decision if the information is provided again at an appropriate time.

Approximately 1.9% of CGA tenants hold insurance through the scheme available via CGA, according to the information considered during the review. This does not show the total number of tenants with contents insurance because tenants may arrange cover with another provider.

The group reviewed information published by several other housing associations. The stronger examples kept contents insurance information prominent and provided a straightforward route to further information.

National Housing Federation good practice also highlighted the value of using different communication channels and ensuring that relevant colleagues understand the contents insurance offer.

The group found that take-up of the scheme available through CGA should not

be the only measure of success. Tenants may select another provider or decide not to take out insurance. The more important consideration is whether they understand their responsibilities and have sufficient information to make an informed decision.

CONCLUSION

The group concluded that CGA needs a more consistent approach to keeping tenants informed about contents insurance throughout their tenancy.

Although arrangements are in place for new tenants, communication is concentrated around the beginning of the tenancy, with limited ongoing information for existing tenants. CGA also does not currently monitor the reach and effectiveness of these communications.

RECCOMENDATIONS

The group recommends that CGA:

- provides regular information and reminders about contents insurance through a range of appropriate channels and at relevant points throughout the tenancy; and
- monitors the reach and effectiveness of these communications, including tenant awareness, recall and understanding, with findings reported through the appropriate tenant governance arrangements.

6. FULL LIST OF RECOMMENDATIONS

The recommendations below bring together the findings against each area of the scope and the wider evidence considered during the review. The group has also included an overarching recommendation for an action plan and follow-up review, to provide assurance that agreed actions have been delivered and have resulted in improvement.

The group recommends that CGA:

1. Reviews and strengthens its contents insurance communications, using clear, accessible language and appropriate formats to explain CGA's and tenants' respective responsibilities and the potential consequences of being uninsured, with practical examples and tenant experiences where appropriate.
2. Provides regular information and reminders about contents insurance through a range of appropriate channels and at relevant points throughout the tenancy.
3. Ensures that relevant frontline services provide consistent information and signposting when tenants ask about contents insurance.
4. Improves the recording of relevant information following significant incidents, including whether affected tenants had contents insurance, so that CGA can better understand the impact of tenants being uninsured.
5. Undertakes further analysis, including a wider tenant survey and regular review of scheme take-up and wider tenant insight, to identify the barriers to taking out contents insurance and what would help tenants make an informed decision.
6. Monitors the reach and effectiveness of its contents insurance communications, including tenant awareness, recall and understanding, with findings reported through the appropriate tenant governance arrangements.
7. Supports the Tenant Scrutiny Group to carry out a follow-up review 12 months after the action plan is approved, to assess delivery and the impact on tenant awareness, understanding and informed decision-making.

CONTRIBUTIONS TO THE REVIEW

The Tenant Scrutiny Group would like to thank everyone who supported this review, including tenants who shared their views and experiences and colleagues who provided information and answered questions. Their contributions helped the group understand the current approach and identify practical opportunities for improvement.