

Premises vulnerable to underinsurance

We estimate that 42% of SMEs who insure buildings with Aviva are likely to be **underinsured***.

By modelling first and third-party data, our Commercial Intelligence Tool (CIT) has identified that Quantum Demo A has premises that may be at risk of underinsurance, which could leave them exposed financially at the point of a claim.

We hope that these insights will help to support an informed conversation about the level of cover required to protect the business.

Which premises are at risk >

Underinsurance insights powered by Verisk

Using Verisk's highly granular property data and analytics modelled against our own sources, we're able to bring you accurate and personalised underinsurance insights that show the full picture of your client's property including rebuild costs, age, square footage, building characteristics, and materials.



Identifying clients at risk of underinsurance

Customer: Quantum Demo A
Policy: 099999999CCI
Renewal Date: 18/11/2023
Issue Date: 07/06/2023

Premises likely to be underinsured

Our analytical data indicates the existing Building Sum Insured is likely to be inadequate for the premises listed below. Where we have enough data to confidently develop a full picture of the premises, we've included a recommended Sum Insured limit. The premises without a limit are still likely to be at risk of underinsurance, and we'd recommend a formal valuation is carried out to identify an appropriate limit of cover.

Premises ID	Premises	Postcode	Current Sum Insured*	Recommended Sum Insured
001-004	71 High Street, Littlehampton	BN17 5AE	£650,000	£1,069,000

*Latest Sum Insured from period starting: 18/11/2022

How can you recommend a Sum Insured?

Our Commercial Intelligence Tool (CIT) uses clever modelling that incorporates both Verisk's analytical insights and our own data.

CIT can estimate the costs of rebuilding most properties, including the cost of demolition and professional fees, using a range of regularly updated data sources that account for geographical nuances such as the cost of materials, equipment hires, and labour rates. This allows us to develop a complete picture of the premises and more confidently recommend Sum Insured limits, allowing businesses to make an informed decision about their level of cover.

Expert valuations at preferential rates

For those premises we weren't able to make a Sum Insured recommendation for, we recommend that a formal valuation is undertaken and this is increasingly important in the times we currently find ourselves in.

Through our specialist partner network, our policyholders have access to expertise including building, plant & machinery valuations, and cost assessments from expert partners, including: [Barrett Corp & Harrington \(BCH\)](#), [Cardinus](#), [Charterfields](#), [Sedgwick](#).

Accurate and up-to-date building values and rebuilding periods are critical in underpinning effective risk assessments and any risk transfer mechanisms, such as insurance. These datasets and tools help with evaluating and setting indemnity and maximum indemnity periods. They also help address any exposures an organisation may face in relation to underinsurance and over-insurance when declared values are incorrect.

[View more premises identified as being at risk of underinsurance on the next page >](#)

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We don't have enough data to identify the risk of underinsurance

We were not able to collect enough information about the premises below to identify whether or not underinsurance is present. With 42% of SMEs who insure buildings with us likely to be underinsured, we'd recommend that the policyholder undertakes a professional valuation on these premises to identify an appropriate level of cover.

Premises ID	Premises	Postcode	Current Sum Insured*
001-002	708 Lea Bridge Road, Leyton	E10 6AW	£200,000

*Latest Sum Insured from period starting: 18/11/2022

Expert valuations at preferential rates

We recommend that a formal valuation is undertaken and this is increasingly important in the times we currently find ourselves in.

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To provide a more affordable service, BCH now offer a desktop e-Valuation survey which is available to Aviva policyholders for £85 + VAT* per premise, a saving on their standard rate of £125 +VAT. You can find out more via the BCH link above.

* Limits apply. Benchmark eValuation is suitable for Commercial and blocks of flats with a current declared value up to £5 million, Residential dwellings with a current Sum Insured up to £2 million, Listed Premises up to and including Grade II (C in Scotland), and for single property making up 100% of the building.

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Underinsurance insights, powered by Verisk



Verisk are a leading source of information about insurance risk. To serve its clients, Verisk draws upon its vast experience in data management and predictive modelling. Verisk analyses data and converts information into practical tools that customers can use to make better decisions around risk.

Why do Aviva need their data?

Verisk helps Aviva understand the detailed information about UK buildings and their surrounding areas through unique spatial property database of building characteristics. The database is created from the observation of aerial imagery and published open data, ensuring that all buildings, both residential and non-residential, are classified. This data is used to calculate accurate rebuild values for UK properties.

And how is the data used?

Using trusted data from Verisk as well as our own internal data models, we're able to provide a tailored solution for addressing underinsurance across our commercial property portfolio.

For more information about Verisk visit: <https://www.verisk.com/en-gb/insurance/capabilities/underwriting/>

Additional support from Aviva

Risk Management Guidance

Our Business Interruption: Rebuilding Period and Rebuilding Valuation Loss Prevention Standard details what factors that should be taken into account when deciding the likely rebuilding period and value for a property.

[Download the Loss Prevention Standard today >](#)

Business Interruption Calculator

This calculator uses key information about a business to recommend the level of Business Interruption cover required, as well as the indemnity period, to help make sure appropriate cover is in place should the unexpected happen.

[Visit the Business Interruption Calculator on Aviva Broker here >](#)

Legal support at no extra cost

Aviva Businesslaw provides Commercial policyholders with access to a range of business and legal guides, document builders, interactive checklists and videos.

[Find out more about Aviva Businesslaw here >](#)