



Markham Private Clients

Renovation Insurance



Restoration and Renovation Construction

keyfacts Insurance – Policy Summary

This is a policy summary only and does not contain the full terms and conditions of the contract. It does not form part of the contract between you and us. Full terms can be found in the policy wording, a copy of which is available on request. If you take out a policy with us you will receive a full policy wording as part of your policy documents.

How long does the cover last?

The policy lasts for the duration of the contract works. You need to specify the anticipated start and completion date of the contract when requesting a quote or arranging insurance cover.

If the construction period is extended or delayed you must tell us. If you do not your cover will end on the expiry date specified by you when arranging cover.

If required under the terms of a formally drafted construction contract an additional period (up to 12 months) of cover may also be provided following the completion of the works for the rectification period.

What type of cover is provided?

The Restoration and Renovation Construction Insurance policy is designed to give protection against the risk of loss or damage to owners of residential property who are having building works such as refurbishments or extensions carried out. The policy is also designed to meet your obligations to insure which will be set out under a formally drafted building contract.

Under many standard building work contracts the terms and conditions are set out specifying who is responsible for arranging insurance against loss or damage. The Restoration and Renovation Construction Insurance policy will accommodate most commonly used forms of building contracts, providing protection for all parties' contractually defined insurance responsibilities - including where defined the home owner (employer), contractors, subcontractors or lenders.

The policy covers temporary and permanent construction works at the site and whilst in transit within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.

Are there any policy conditions applicable?

There are a number of conditions set out in the policy wording. It is very important to note these and to make sure that the contractor is fully aware of the requirements. Some of the conditions (highlighted below) must be kept to by the contractor. If the conditions are not met insurance claims may be refused and/or the insurance policy could even be cancelled.

Multiple Insured Requirements – apply to all other insured parties that are required to be a joint named insured under the policy.

Fire Precautions – there are specific requirements when work involves use of heat or angle grinders.

Who is providing the insurance?

HSB Engineering Insurance Limited, registered in England number 02396114. Registered office New London House, 6 London Street, London EC3R 7LP, United Kingdom. HSB Engineering Insurance Limited is a member of the Association of British Insurers. HSB Engineering Insurance Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

What happens if I take out cover and then change my mind?

The policy provides you with a 14-day cooling off period, either from the day you receive your policy documents or the date your policy starts whichever is the later, to decide whether you wish to continue for the full policy period. If you do wish to cancel within 14 days, we will refund all of the premium you have paid except where you have made a claim or an instance that may lead to a claim has occurred during the period of cover already provided in which case the full premium for the entire period of insurance may be payable. Details are shown in the full policy wording which is available on request.

Restoration and Renovation Construction Insurance – Policy Summary *(continued)*

What happens if I cancel cover after the initial period of reflection?

If you cancel your insurance after the first 14 days, provided you have not made a claim, you will be entitled to a proportionate refund of the premium paid. If you have made a claim the premium for the entire period of insurance may be payable. Details are shown in the full policy wording which is available on request.

How do I make a claim?

Please contact Renovation Insurance Brokers on 08442 641200. Full details of how to claim are stated in the policy wording under – How to make a claim.

How do I make a complaint?

Should you wish to make a complaint please contact: Renovation Insurance Brokers
17 Church Walk St. Neots Cambridgeshire PE19 1JH

Telephone: 08442 641200.

Email: info@renovationinsurancebrokers.co.uk

The full complaints procedure can be found under Customer Service – What to do if you are not satisfied in the policy wording.

If we are unable to resolve the problem you will be provided with information about the Financial Ombudsman Service who offers a free independent service for resolving disputes about most financial matters. The Financial Ombudsman Service can be contacted at:

Tel: 0800 023 4 567 free for people phoning from a "fixed line" (for example, a landline at home) or
0300 123 9 123 free for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02 Email:
complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

Using our complaints procedure or referral to the Financial Ombudsman Service does not affect your legal rights.

Would I receive compensation if the insurer is unable to meet their liabilities?

In the event that insurer cannot meet its liabilities you may be entitled to compensation from the Financial Services Compensation Scheme (FSCS). Further information about the compensation scheme is available from the FSCS.

The FSCS can be contacted at:

10th Floor, Beaufort House 15 St Botolph Street London
EC3A 7QU

Tel: 0800 678 1100 or 0207 741 4100

Email: enquiries@fscs.org.uk

The key information about the insurance cover is set out below. This includes the most significant and unusual exclusions or limitations to the cover and where to find them in the full policy wording. It is important that you read the full policy wording. A copy is available from Renovation Insurance Brokers on request.

Endorsements that vary the terms and conditions of the insurance may also apply to your policy. If you take out a policy with us your policy schedule will show any endorsements that apply.

Section I – Contract Works and Existing Structures

Full details can be found in Section I of the policy wording

Significant Features and Benefits	Significant Exclusions or Limitations	Location in Policy
<p>All physical risks of loss or damage covered - up to the maximum amount payable shown in the policy schedule for:</p> <ul style="list-style-type: none"> permanent and temporary works; and free issue materials (materials supplied by you that are to be incorporated into the works). <p>These are covered:</p> <ul style="list-style-type: none"> while in transit to and from the contract site; at the contract site until completed or taken into use; and if a rectification period is stipulated within the terms and conditions of the contract, following the completion of the works – <i>this cover is specifically for damage that is caused as a direct result of either a defect to the building works or any damage caused by the contractor in remedying a defect.</i> <p>As an added benefit the sum insured shown as payable in the schedule may be increased automatically by:</p> <p>Cover One - contract works</p> <ul style="list-style-type: none"> not more than 25% should the original estimated contract price plus the cost of any additions, amendments or variations including the value of free issue materials. <p>Cover Two – existing structures</p> <ul style="list-style-type: none"> not more than 10% of the rebuild cost. <p>Claims are settled on a reinstatement basis – <i>if insured damage happens the works will be reinstated to be in the same condition as existed immediately before the event that caused the damage.</i></p>	<p>There is no cover for</p> <ul style="list-style-type: none"> Loss or damage and access costs caused by defective design material or workmanship. Other insured property free from the defect which is subsequently damaged is however covered. Damage to any part of the works caused by its own electrical or mechanical breakdown or explosion – unless it happens during the period of testing and commissioning – please refer to Additional Cover 12 Breakdown or Explosion under Section 1 of the policy. 	<p>Section 1 Contract Works and Existing Structures</p>

Section I – Additional Cover and Benefits

A number of additional covers and benefits are given, the most significant of these are highlighted below. Full details can be found in Section I of the policy wording

Significant Features and Benefits	Significant Exclusions or Limitations	Location in Policy
<p>Loss Avoidance Measures Reasonable cost incurred in taking exceptional measures to prevent or mitigate impending damage.</p> <p>Expediting Cost Cost necessarily and reasonably incurred to speed up repair, reinstatement or replacement following the occurrence of insured damage are covered - e.g. cost of overtime working.</p> <p>Breakdown or Explosion Cover is given during the testing and commissioning periods for apparatus, equipment or machinery damaged due to electrical or mechanical breakdown or explosion.</p>	<ul style="list-style-type: none"> Cover is limited to 20% of the combined contract works and existing structures sum insured (or as otherwise stated in the schedule). Cover is limited to £50,000 or 50% of the cost of the physical loss or damage whichever is the lesser (or as otherwise stated in the schedule). <p>Cover is limited to:</p> <ul style="list-style-type: none"> 7 days during the testing period; and 1 calendar month from the start of commissioning. 	<p>Section 1 Additional Cover 4</p> <p>Section 1 Additional Cover 5</p> <p>Section 1 Additional Cover 12</p>

Section 2 – Owned Plant

Full details can be found in Section 2 of the policy wording

Significant Features and Benefits	Significant Exclusions or Limitations	Location in Policy
<p>Cover for physical loss or damage covered to owned plant used in performance of the contract works anywhere in the territorial limits and whilst in transit.</p>	<ul style="list-style-type: none"> up to the maximum amount payable shown in the schedule. <p>There is no cover for</p> <ul style="list-style-type: none"> Tyres, tools, cutting edges, and the like, safety or protective devices due to their functioning – please refer to Section 2 Exclusion 1 Excluded Parts in the <i>policy</i>. Loss of or damage to owned plant caused by its own electrical or mechanical breakdown or explosion. 	<p>Section 2 Owned Plant</p>

Section 3 – Hired in Plant

Full details can be found in Section 3 of the policy wording

Significant Features and Benefits	Significant Exclusions or Limitations	Location in Policy
<p>Cover for legal liability under the terms of a hiring agreement to pay:</p> <ul style="list-style-type: none"> physical loss or damage to hired in plant continuing hiring charges as a result of this loss or damage. 	<p>There is no cover for</p> <ul style="list-style-type: none"> Tyres, tools, cutting edges, and the like, safety or protective devices due to their functioning – please refer to Section 3 Exclusion 1 Excluded Parts in the <i>policy</i>. 	<p>Section 3 Hired In Plant</p>

Sections 2 and 3 – Additional Cover and Benefits

A number of additional covers and benefits are given, the most significant of these are highlighted below. Full details can be found in Section 2 and 3 of the policy wording

Significant Features and Benefits	Significant Exclusions or Limitations	Location in Policy
<p>Immobilised Plant Cover is provided for recovery of unintentionally immobilised owned plant and/or hired in plant (other than plant or equipment working underground or underwater)</p>	<p>Provided that:</p> <ul style="list-style-type: none"> recovery is not made necessary by or results from; <ul style="list-style-type: none"> its own electrical or mechanical breakdown, derangement, failure or explosion. failure to maintain plant or equipment in accordance with manufacturers recommendations. we will not pay more than the lesser of: <ol style="list-style-type: none"> the sub limit stated in the schedule for this Additional Cover, or the sum which would have been payable had the cost not been incurred. we shall not be liable for physical loss or damage caused by the process of recovery. <p>There is no cover for:</p> <ul style="list-style-type: none"> plant or equipment working underground or underwater. 	<p>Section 2 Additional Cover 1 and Section 3 Additional Cover 1</p>

Section 4 – Property Owners Liability

Full details can be found in Section 4 of the policy wording

Significant Features and Benefits	Significant Exclusions or Limitations	Location in Policy
<p>Cover for your legal liability to third parties in the event of accidental:</p> <ul style="list-style-type: none"> • injury to persons • loss of or damage to property • nuisance, trespass to land or interference with any easement, right of air, light, water or way. <p>Occurring within the territorial limits and arising out of or in connection with the contract.</p>	<p>There is no cover for legal liability</p> <ul style="list-style-type: none"> • for injury to any person employed • loss of or damage to property belonging to or in the charge or control of you or any of the other insured parties other than: <ul style="list-style-type: none"> – personal effects or vehicles of any partner, director or person employed or visitor to the site of the project. – premises not belonging, leased, rented or hired to you or any of the other insured parties but temporarily in your or any of the other insured parties charge for the purpose of carrying out the contract. – premises (including their fixtures and fittings) leased, rented or hired to you or any of the other insured parties, but Section 4 shall not apply to liability attaching to you or any of the other insured parties solely under terms of any tenancy or other agreement. • asbestos, asbestos dust or asbestos containing materials: <ul style="list-style-type: none"> – for the costs of remedying the presence of, asbestos, asbestos dust or asbestos containing materials. – for injury arising out of actual or suspected exposure to asbestos dust or asbestos containing materials. – for the costs of management (including those of any persons under any statutory duty to manage) removal, repair, alteration, recall, replacement or reinstatement of any property or part thereof arising out of the presence of asbestos, asbestos dust or asbestos containing materials. • fines, penalties or liquidated, aggravated, punitive or exemplary damages, compensation ordered or awarded by any Court of Criminal Jurisdiction. • loss of or damage to any property comprising of or incorporated in to the contract works or under JCT Clause 6.5.1 (non negligent liability) or similar. 	<p>Section 4 Property Owners Liability</p>

Section 4 – Additional Cover and Benefits

A number of additional covers and benefits are given, the most significant of these are highlighted below. Full details can be found in Section 4 of the policy wording

Significant Features and Benefits	Significant Exclusions or Limitations	Location in Policy
<p>Compensation for Court Attendance Compensation to you if during the period of insurance you or any of your partners, directors or employees are at our request required to attend court as a witness in connection with a claim under Section 4 of this policy.</p>	<p>Cover is limited to the sub limit(s) stated in the schedule.</p>	<p>Section 4 Additional Cover 1</p>

Section 5 – Non Negligent Liability

Full details can be found in Section 5 of the policy wording

Significant Features and Benefits	Significant Exclusions or Limitations	Location in Policy
<p>Cover for liability that you may incur in respect of injury to any person or damage to any property arising from the works where negligence by the contractor and any sub-contractors cannot clearly be established, happening during the period of insurance caused by:</p> <ul style="list-style-type: none"> collapse subsidence heave vibration weakening or removal of support lowering of ground water. 	<p>There is no cover for legal liability</p> <ul style="list-style-type: none"> arising from injury or damage caused by the negligence, omission, breach of statutory duty, or default of you or your contractor(s) or subcontractor(s) or any servant or agent of you or of your contractor(s) or subcontractor(s) or any other insured parties involved in the contract (except you). finances, penalties or liquidated, aggravated, punitive or exemplary damages . arising from damage to any work executed in connection with the project or to any materials plant tools equipment temporary works temporary buildings or any other property brought onto site of the project for the purpose of the execution of the project. 	<p>Section 5 NonNegligentLiability</p>

Section 6 – Advanced Loss of Rent and Loss of Interest

Full details can be found in Section 6 of the policy wording

Significant Features and Benefits	Significant Exclusions or Limitations	Location in Policy
<p>Covers your Financial Loss if the anticipated date of commencement of commercial operations of the business is delayed by more than the time exclusion as a direct consequence of physical loss or damage occurring during the construction period which is insured (or would be insured but for the application of any excess applicable) under Section 1 – Contract Works and Existing Structures</p>	<p>Cover Option One – advance loss of rent</p> <ul style="list-style-type: none"> incurred during the indemnity period but excluding any amounts payable out of rental income which shall cease or which are reduced as a result of the insured physical loss or damage <p>Cover Option Two – loss of interest</p> <ul style="list-style-type: none"> incurred during the indemnity period but excluding any amounts: <ol style="list-style-type: none"> saved in respect of charges or expenses which shall cease or which are reduced as a result of the insured physical loss or damage. receivable as interest earned on the proceeds of any other policy of insurance payable due to the physical loss or damage. receivable as interest earned on monies invested which would not have been available for investment but for the physical loss or damage. 	<p>Section 6 Advanced Loss of Rent and Loss of Interest</p>

Section 6 – Additional Cover and Benefits

A number of additional covers and benefits are given, the most significant of these are highlighted below. Full details can be found in Section 6 of the policy wording

Significant Features and Benefits	Significant Exclusions or Limitations	Location in Policy
<p>Professional Fees Cover for professional accountants, legal or auditors fees reasonably incurred for producing or verifying particulars, details, or any other information or evidence to verify details of a claim under this Section of the policy.</p>	<p>Cover is limited to the sub limit(s) stated in the schedule.</p>	<p>Section 6 AdditionalCover 1</p>

Main Policy Conditions – General Conditions

Full details can be found in the policy wording	Location in Policy
Multiple Insured Requirements	General Conditions 1
Premium Adjustment Clause	General Conditions 5
Existing Structure – requirements for unattended premises	General Conditions 8
Home Survey Report and Pre-existing Defects	General Conditions 9
72 Hour Clause	General Conditions 10
Fire Precautions	General Conditions 11

Additional Cover and Benefits – General Additional Covers

Full details can be found in the policy wording	Location in Policy
Multiple Insureds Cover	General Additional Covers 1

Main Policy Exclusions – General Exclusions

Full details can be found in the policy wording		
1. Excess	3. Wear and Tear	9. Pollution or Contamination
12. Unexplained Losses	13. Road Vehicles	15. Cessation of Works
17. Non Standard Construction Operations	21. Terrorism	22. Pre-existing Damage and Defects



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