

# Warranty and insurance cover for newly built or newly converted homes



## Insurance Product Information Document

Company: National House-Building Council (NHBC) is registered in England & Wales and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The firms reference number is 202261.

Product: Buildmark – for plots registered from 1 April 2024 Prefix: CA

This document summarises the Buildmark policy, provided by National House-Building Council (NHBC), for newly built and newly converted homes. Full policy details can be found at [nhbc.co.uk/policy](https://nhbc.co.uk/policy).

### What is this type of insurance?

This policy covers you against defined issues with your home or land resulting from the builder becoming insolvent, or from the builder failing to meet the NHBC requirements when building your home.



### What is insured?

- ✓ Before completion, loss of deposit or having to pay more to complete the build of the home because the builder is insolvent. This is known as section 1.
- ✓ A two year builder warranty period, during which the builder is liable to put right defects which are reported to them (a defect is a breach of NHBC requirements by the builder). NHBC guarantee the obligations of the builder during this period. This is known as section 2.
- ✓ Insurance cover of eight years follows the two year builder warranty, this is known as section 3. The insurance cover includes:
  - ✓ the cost of repairing damage to your home caused by defects in specific parts of your home described within the policy – for example, damage to your home caused by foundations not built to NHBC requirements
  - ✓ reasonable costs for removing and storing your possessions and alternative accommodation, if work is required which means that you cannot live in your home
  - ✓ cover to improve the condition of contaminated land in the event a statutory notice has been, or could be, issued.

Full details can be found in your Buildmark policy documents.



### What is not insured?

There are some things that are not NHBC's responsibility, including, but not limited to:

- ✗ items or incidents covered by other insurances, warranties, guarantee schemes or formal compensation schemes – examples include buildings and contents insurance or manufacturers' warranties on domestic goods and boilers
- ✗ gradual deterioration, wear and tear, neglect and failure to undertake appropriate maintenance
- ✗ any alteration, modification, or addition to the home – examples include extensions, loft conversions and other works carried out after NHBC final inspection
- ✗ damage caused by fire, smoke, or severe weather conditions
- ✗ theft or accidental damage to your home.

Full details can be found in your Buildmark policy documents.



### Are there any restrictions on cover?

- ! **Minimum Claim Value (MCV):** Applicable to section 3.1 of the policy. If your claim is valid and the cost to us to complete the repair is at least the MCV, we will do the work or pay the cost in full, and you will not have to make any financial contribution. If the cost to us to complete the repair is less than the MCV, we will not do any work or pay any costs. The MCV increases every year following the start of section 3.1.
- ! **Financial limits:** There are limits to how much we will pay which are shown in the policy documents.
- ! **Policy acceptance:** Cover will not be in place until the homeowner, or their conveyancer, has accepted the policy and the policy documents have been issued.
- ! **Conditions:** There are general conditions and exclusions that apply (see policy booklet for details).



### Where am I covered?

- Properties within the United Kingdom and Isle of Man only.



## When and how do I pay?

- You have nothing to pay. The Buildmark policy premium is paid in full by the builder of your home.



## When does the cover start and end?

- Section 1 starts from the date of exchange of contracts (or, in Scotland, missives) and ends on the completion date of your home.
- Section 2 begins after section 1 has expired. Section 3 begins after section 2 has expired.



## What are my obligations?

- Take all reasonable steps to minimise any loss and damage to your home.

In the event of a claim:

- provide any information and help that is reasonably needed for us to deal with your claim – for example, we may ask you to carry out some initial investigations, such as sending us photographs of the problem
- during the builder warranty period (the first two years after the completion date of your home) contact the builder as soon as possible
- during the insurance period (the eight years after the end of the builder warranty period) contact NHBC as soon as possible to discuss the claim
- allow access to your home and your land or get permission to access neighboring land and get any other permission needed in order for NHBC (or those we appoint) or the builder to carry out investigations and work.



## Contact us

Email: [ccsupport@nhbc.co.uk](mailto:ccsupport@nhbc.co.uk)

Telephone: **0344 633 1000**

Website: [nhbc.co.uk](http://nhbc.co.uk)



**NHBC, NHBC House, Davy Avenue, Knowlhill, Milton Keynes, Bucks MK5 8FP**

National House-Building Council (NHBC) is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in respect of carrying on its insurance business and its insurance distribution activities.

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