



# Solo for Self Build

Your insurance cover from NHBC

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Applies to newly built self build properties registered with NHBC from 1 September 2005



## Summary of contents

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<b>Definitions</b>	<b>3</b>
<b>General exclusions for claims to NHBC</b>	<b>4</b>
<b>Introduction</b>	
- Solo for Self Build	
- Special conditions	
- How to contact us to make a claim	<b>6</b>
<b>Section A Cover before completion</b>	<b>7</b>
NHBC's cover for foundations and substructure	
<b>Section B Cover after completion years 1 to 10</b>	<b>8</b>
NHBC's cover for specified defects first reported to NHBC in years one to ten, which cost more than £1,000 (Indexed) to put right	
<b>Section C Additional cover in years 1 to 10 if NHBC's subsidiary did the building control</b>	<b>9</b>
NHBC's insurance cover for breaches of specified Building Regulations causing a danger to health and safety	
<b>General conditions for claims to NHBC</b>	<b>10</b>
<b>War and terrorism exclusions</b>	
<b>Governing law</b>	
<b>Common Parts</b>	<b>11</b>
The financial limits, periods of cover and a special condition relating to common parts	
<b>Complaints and disputes procedures</b>	<b>12</b>
What to do if you have a complaint or dispute with NHBC	

## Your right to cancel

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**You have the right to cancel cover under Solo. If you wish to cancel the cover, you must do so within 14 days starting on the day after you receive the Solo policy documents. Your cancellation must reach NHBC by letter or email:**

By letter    Customer Services  
              NHBC  
              NHBC House  
              Davy Avenue  
              Knowlhill  
              Milton Keynes  
              Bucks MK5 8FP

By email    CSSupport@nhbc.co.uk

Please quote your Solo policy number when cancelling.

All Solo policy documents should be returned to NHBC with the cancellation request.

Before cancelling the cover, please check with your mortgage lender, because they may require you to have this cover or its equivalent as a condition of the loan. Please remember also that, if you sell the Home within the period of cover, a purchaser (and any lender at that time) will usually require the cover.

If your Home includes Common Parts for which you are jointly responsible with Owners of other Homes, your cancellation will apply to both the cover on your individual Home and the cover for your share of the cost of any claim relating to the Common Parts. So if you cancel your cover, you will still be obliged under your lease or title to contribute to the cost of repairs along with your neighbours.

## Accepting the cover

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In accepting this cover, you agree to enter into a contract with NHBC and that, as a Self Builder, you require the insurance, subject to the relevant financial limits, to protect you:

- 1) if, during construction, a Defect is found after a Stage Completion Certificate is issued in respect of the foundations and substructure
- 2) against Damage caused by Defects in specified parts of the Home during years 1 to 10.

There is also additional cover where NHBC Building Control Services Ltd carried out the building control.

Full details of the cover are set out in the booklet.

## Definitions

Certain key words and phrases in this policy have special meanings. Their definitions are given below. In this policy, the Self Builder is addressed as you. 'NHBC', 'we', 'our' and 'us' mean the National House-Building Council.

<b>Application</b>	The form completed by, or on behalf of, the Self Builder describing the Home and used to enrol it for cover under this policy.
<b>Common Parts</b>	Any of the following for which you are legally obliged to share responsibility for cost and upkeep with the Owners of other Homes: <ul style="list-style-type: none"> <li>a) Any garage, permanent outbuilding, retaining wall (necessary for the structural stability of your Home), external handrail or balustrade (necessary for principal access to the building) newly built by you or your Contractor at the date of the Insurance Certificate.</li> <li>b) Any newly built drainage system built by you or your Contractor serving your Home.</li> </ul>
<b>Complete/ Completion Date</b>	The date NHBC agrees that the Home substantially complies with NHBC Requirements.
<b>Contractor(s)</b>	Someone (a sole trader, limited company, partnership or other party) with whom you enter into a binding contract for work to be done on actually constructing the Home or any part of it. It does not include the suppliers of materials used in the construction work.
<b>Cost</b>	The cost we would have had to pay if we had arranged for the work to be done.
<b>Damage</b>	Physical damage to the Home caused by a Defect.
<b>Defect</b>	A Defect in the Home resulting from a breach of any mandatory NHBC Requirement. Failure to follow the guidance supporting NHBC Requirements does not in itself amount to a Defect, as there may be other ways that the required performance can be achieved.
<b>Home</b>	The house, bungalow, flat, maisonette or single storey home referred to in the Application, and any of the following that are newly built at the date of the Insurance Certificate by you or under a contract between you and one or more Contractors employed by you for the building of the Home: <ul style="list-style-type: none"> <li>a) any Common Parts</li> <li>b) the drainage system below ground serving your Home for which you are responsible</li> <li>c) the garage and any permanent outbuilding, the structure of which is physically attached to the house, bungalow, flat, maisonette or single storey home, and any retaining wall necessary for the structural stability of the same</li> <li>d) any detached garage or permanent outbuilding but only where it is included for cover by an endorsement on the Insurance Certificate.</li> </ul> Home does not include any fence, temporary structure, swimming pool, lift, or any electrical, electronic or mechanical equipment other than those requiring building control compliance.
<b>Indexed</b>	Increased to allow for the effects of inflation. The figure of £1,000 was set on 1 October 2004 and the increase is applied on 1 April each year in line with the Royal Institution of Chartered Surveyors - House Rebuilding Cost Index. The figure which applies to a claim is the one which was in force when the claim was first notified to NHBC.
<b>Insurance Certificate</b>	The certificate we issue on completion that brings sections B and, if applicable, C of this cover into operation.
<b>NHBC Requirement(s)</b>	The mandatory Requirements we publish in the NHBC Standards, which are in force when the concreting of the foundations of the Home or, if applicable, the Common Parts is begun.
<b>Stage Completion Certificate (SCC)</b>	The certificate issued by NHBC stating that the work up to the date of the certificate substantially complies with NHBC Requirements. In the text, the certificate is called the SCC.
<b>Self Builder/Owner</b>	The person or persons who complete the Application and arrange for the building of the Home for their own occupation. It includes their successors in title and their mortgagees in possession.
<b>Value of the Home</b>	The price for which you could reasonably expect to sell your Home on the open market at the date that a claim is settled assuming that it is free of Defects.

## General exclusions for claims to NHBC

In common with other insurance policies, Solo does not protect the homeowner against every problem that may occur. Several limitations and exclusions apply throughout the policy. We believe it is important to make them clear and easy to find, so we have listed them in the table below.

### NHBC will not be liable for

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|--|---|
| <ul style="list-style-type: none"> <li>a. Any cost, loss or liability which is provided for by legislation or which is covered by any other insurance policy.</li> <li>b. Anything excluded by an endorsement by NHBC on the Insurance Certificate.</li> <li>c. Anything affecting or caused by alterations or extensions to the Home carried out after the date of the Insurance Certificate.</li> <li>d. Wear and tear.</li> <li>e. Deterioration caused by neglect or failure to carry out normal or specific maintenance.</li> <li>f. Dampness, condensation or shrinkage not caused by a Defect.</li> <li>g. Any Defect or Damage caused by the installation or presence of a swimming pool or lift.</li> <li>h. Any reduction in the value or loss of value of your Home.</li> <li>i. Loss of enjoyment, use, income or business opportunity, inconvenience, distress or any other consequential loss.</li> <li>j. Any professional fees except those reasonably incurred with our specific written consent. (Note - we may, in our absolute discretion, waive this exclusion if we accept a claim which we had at first rejected).</li> </ul> | <ul style="list-style-type: none"> <li>k. Costs or expenses greater than would have been paid or incurred by a reasonable person in the position of the Owner spending his or her own money.</li> <li>l. Costs that have already been taken into account by NHBC when making payment to or carrying out work for a previous Owner.</li> <li>m. Costs that are attributable to your unreasonable delay in pursuing a claim.</li> <li>n. If you are not the Self builder but a successor in title, anything which you knew about when you bought the Home and which resulted in a reduction in the purchase price you paid or which was taken into account in any other arrangement.</li> <li>o. Replacement of any undamaged item solely because another item of the same nature, design or colour has to be replaced and the original items cannot be matched.</li> <li>p. Loss or damage resulting solely from flooding from whatever source or from a change in the water table level.</li> <li>q. Death, bodily injury, illness or injury to mental health.</li> <li>r. Loss or damage caused by storm force weather conditions. In this respect, NHBC may take into account reports from the Met Office.</li> </ul> |
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Some other limitations and exclusions apply only to parts of the policy. You will find them in the relevant parts.



# Introduction

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## Solo for Self Build

This policy contains your cover under Solo for Self Build (Solo). Please read it carefully. Notes on how the policy works and what you should do to avoid some of the pitfalls you may encounter in building your own home are in the leaflet which accompanies the application pack. Three of those notes (which are for information only) are particularly important and are repeated below.

- 1) NHBC does not provide a site supervision or clerk of works service. You must not rely on NHBC's inspections for that purpose.
- 2) You are strongly advised to enter into a written contract with each contractor you appoint, requiring him to complete the contract in accordance with NHBC Requirements. The contract should also specify a Defects maintenance period of at least six months.
- 3) You are strongly advised to appoint an architect or a chartered building surveyor or other experienced building professional to advise you on, and to administer, the contract(s), and to ensure that your Home is built in accordance with NHBC Requirements.

Please also remember that your rights under Solo are in addition to any other contractual, statutory or common law rights you may have.

## Special conditions

- A) You must arrange for any work identified as defective to be put right prior to the issue of the SCC covering that stage of the work. If you do not do this within a reasonable time, this policy will be cancelled.
- B) Building work must be started within one year of the date of acceptance of the Application by NHBC. The work must progress at reasonable speed. If work is not started within this time, or no substantial progress is made, NHBC will write to you asking for an explanation. If you are unable to confirm that work will commence or resume within a reasonable time, NHBC may cancel the policy after giving you 14 days' written notice of its intention to do so.
- C) If the policy is cancelled, NHBC may, in its absolute discretion, refund all or part of the premium.
- D) If the Home is not Complete within two years of the date of the foundations being concreted, NHBC may, in its absolute discretion, cancel the policy.

## How to contact us to make a claim

Please call 0844 633 1000 or fax 0844 633 0030.

Alternatively, you can write to us at: Claims, NHBC House, Davy Avenue, Milton Keynes MK5 8FP.

You can also use our online claims service at [www.nhbc.co.uk](http://www.nhbc.co.uk).

We might ask you to pay a fee and/or provide further information before investigating your claim. The costs incurred may be refunded if your claim is valid.

## Section A Cover before completion

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We will either pay for those losses and costs in the blue panel or, at our option, arrange for the necessary work to be carried out at our expense. We will not pay for those losses and costs in the grey panel.

### Period of cover

This part of the cover starts on the date the NHBC issues the SCC in respect of the construction of the foundations and substructure only and ends on the date shown on the Insurance Certificate.

### Financial limits

The most we will pay for all claims relating to your Home under Sections A, B and C together is the value of the Home up to a maximum of £500,000.

The financial limit will be increased each year in line with the Royal Institution of Chartered Surveyors' House Rebuilding Cost Index or, if less, by 12% compound per year. If we accept a claim, the cost of the claim will be deducted from the financial limit. The balance will then continue to be increased as above.

#### What NHBC will pay for

The full cost if it is more than £1,000 (Indexed) of putting right any physical Damage caused by a Defect in the foundations or substructure of the Home. By substructure, we mean the structure below the lowest floor level of the building, including the floor itself and any newly built drainage beneath that floor.

NHBC will also pay the cost of repairing and/or reinstating any other work affected by putting the defective work right.

#### What NHBC will not pay for

Any Defect caused by your failure to comply with an instruction given by NHBC to you or your representative at any time during the construction of your Home.

Anything listed in the general exclusions on page 4.

### How to make a claim - what you must do

Contact NHBC as soon as you are aware of any Damage to your Home caused by a Defect in the foundations or substructure.

Get our written agreement before you take any action to have work carried out on your Home.

If we ask for them, send us copies of any correspondence, contracts, plans, quotations, receipts and other documents or information relating to your Home.

## Section B Cover after completion years 1 to 10

Under this part of the cover, you must tell NHBC of your claim as soon as possible within the period of cover.

We will either pay for those losses and costs in the blue panel below or, at our option, arrange for the necessary work to be carried out at our expense. We will not pay for those losses and costs in the grey panel.

There are special provisions for Common Parts which are on page 11.

### Period of cover

This starts on the date shown on the Insurance Certificate and ends 10 years after the date shown on the Insurance Certificate.

### Financial limits

The most we will pay for all claims relating to your Home under Sections A, B and C together is the Value of the Home up to a maximum of £500,000.

The financial limit will be increased each year in line with the Royal Institution of Chartered Surveyors' House Rebuilding Cost Index or, if less, by 12% compound per year. If we accept a claim, the cost of the claim will be deducted from the financial limit. The balance will then continue to be increased as above.

The most we will pay for alternative accommodation, removals and storage is 10% of the financial limit at the time of the claim.

#### What NHBC will pay for

A) The full Cost, if it is more than £1,000 (Indexed), of putting right any actual physical Damage caused by a Defect in any of the following parts of the Home or its Common Parts:

- foundations
- load-bearing walls
- non load-bearing partition walls
- wet-applied wall plaster
- external render and external vertical tile hanging
- load-bearing parts of the roof
- tile and slate coverings to pitched roofs
- ceilings
- load-bearing parts of the floors
- staircases and internal floor decking and screeds where these fail to support normal loads
- newly built retaining walls necessary for the structural stability of the Home
- double or triple glazing panes to external windows and doors
- newly built below-ground drainage for which you are responsible.

B) The Cost of putting right any Defect in a flue or chimney which causes a present or imminent danger to the physical health and safety of anyone normally living in the Home.

C) Any reasonable costs you incur by prior agreement with us for removal, storage and appropriate alternative accommodation if it is necessary for you or anyone normally living in the Home to move out so work can be done.

#### What NHBC will not pay for

Any claim under A where the Cost of repair is £1,000 or less (Indexed).

Damage caused by shrinkage, thermal movement or movement between different types of materials.

Damage which is purely cosmetic, such as minor cracking, spalling or mortar erosion to brickwork, which does not impair the structural stability or weather tightness of the Home or which only affects decorations.

Damage resulting from the entry of water to an underground car park.

Any Defect in a ceiling which is not in an enclosed part of the Home, e.g. balcony ceilings.

Any Defect caused by your failure to comply with an instruction given by NHBC to you or your representative at any time during the construction of your Home.

Anything listed in the general exclusions on page 4.

### How to make a claim - what you must do

Contact NHBC (see page 6) as soon as the damage has been noticed.

Give us the opportunity to inspect before any work is done.

If we ask for them, send us copies of any correspondence, contracts, plans, quotations, receipts and other documents or information relating to your Home.

## Section C Additional cover in years 1 to 10 if NHBC's subsidiary did the building control

This part of the cover only applies if NHBC Building Control Services Ltd has carried out the building control inspection. The Insurance Certificate will show if this applies to your policy. It only applies in England and Wales.

We will either pay for the items in the blue panel or, at our option, arrange for the necessary work to be carried out at our expense. We will not pay for the items in the grey panel.

### Period of cover

This starts on the date shown on the Insurance Certificate and Building Control Final Certificate and ends 10 years after the date shown on the Insurance Certificate and Building Control Final Certificate.

There are special provisions for Common Parts, which are on page 11.

### Financial Limits

The financial limit for a claim under this Section is the original cost of the work covered by the NHBC Building Control Services Ltd Final Certificate.

The financial limit will be increased each year in line with the Royal Institution of Chartered Surveyors' House Rebuilding Cost Index or, if less, by 12% compound per year. If we accept a claim, the cost of the claim will be deducted from the financial limit. The balance will then continue to be increased as above.

The most we will pay for alternative accommodation, removals and storage is 10% of the financial limit at the time of the claim.

#### What NHBC will pay for

Repairs needed where there is a present or imminent danger to the physical health and safety of the occupants of the Home because the Home does not comply with the requirements of the Building Regulations that applied to the work at the time of construction in relation to the following:

- structure
- fire safety
- site preparation and resistance to moisture
- hygiene
- drainage and waste disposal
- heat-producing appliances
- protection from falling, collision and impact
- glazing - safety in relation to impact, opening and cleaning.

Any reasonable costs you incur by prior agreement with us for removal, storage and appropriate alternative accommodation if it is necessary for you or anyone normally living in the Home to move out so work can be done.

#### What NHBC will not pay for

Anything which we will pay for under another Section of this policy.

Any claim in respect of site preparation and resistance to moisture, relating to ground that is outside the foundations of the Home.

Anything listed in the general exclusions on page 4.

### How to make a claim - what you must do

Contact NHBC (see page 6) as soon as you think you need to make a claim.

Give us the opportunity to inspect before any work is done.

If we ask for them, send us copies of any correspondence, contracts, plans, quotations, receipts and other documents or information relating to your Home.

## General conditions for claims to NHBC

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- 1) If we accept any claim for which you could recover compensation from some other person, you must, at our expense, do whatever we may reasonably require:
  - a) to recover compensation from that person for our benefit; or
  - b) to enable us to enforce any rights you may have to that compensation by taking over your claim against that other person or in any other way.
- 2) You must take all reasonable steps to reduce damage. We will not pay for any work or other costs which result solely from your failure to do this.
- 3) You must provide, at our request, any information that we may reasonably require to enable us to assess your claim.

### Important note

It is illegal to make a fraudulent claim.

## War and terrorism exclusions

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NHBC is not liable for loss, damage, costs or expenses directly or indirectly caused by, resulting from, or in connection with:

- 1) war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, use of military or usurped power or confiscation, nationalism, requisition or destruction of, or damage to, property by, or under the order of, any government or public or local authority; or
- 2) an act of terrorism\* - regardless of the timing of another contributing cause or event; or  
action taken to control, prevent or suppress an act of terrorism\*; or  
action in any way relating to an act of terrorism\*.

If you claim and we decide that this exclusion means the insurance does not cover a particular instance of loss or damage or some particular costs or expenses, it would be for you to prove the contrary.

\* In this exclusion, an 'act of terrorism' means an act - including force, violence or threat by a person or group whether acting alone or on behalf of, or in connection with, an organisation or government - that is committed for political, religious, ideological or similar purposes, including the intention to influence a government or to put people in fear.

## Governing law

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The rights of you and NHBC under Solo are governed by the law of the country in which the Home is situated.

# Common Parts

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The following periods of cover, financial limits and conditions apply only if:

- a) your Home has Common Parts; and
- b) Defects or Damage in, or affecting, the Common Parts have been notified to NHBC.

## Periods of cover

### Section A

The cover in section A starts on the date the NHBC issues the SCC in respect of the construction of the foundations and substructure only and ends on the date shown on the Insurance Certificate.

### Section B

The cover in Section B starts on the date of the earliest Insurance Certificate for a Home which shares the relevant Common Parts and ends 10 years from that date.

### Sections C

The cover in Section C starts on the date of the earliest Insurance Certificate for a Home which shares the relevant Common Parts and ends 10 years from that date.

## Financial limits

The most we will pay for any claim relating to Common Parts will be the amount that you are legally liable to contribute towards the Cost of repairs. Our total liability for your share will not exceed the financial limit of cover for your Home in the relevant Section.

**For claims under Section B** (see page 8), if your share of the Cost of the repair is less than £1,000 (Indexed), NHBC will not pay your share. If your share of the Cost of the repair is more than £1,000 (Indexed), NHBC will pay your share in full.

### Example

You are the Owner of a Home that shares a drainage run with two other homeowners, where each Owner is legally liable to contribute one-third of the Cost of repair. If the Cost of repair is £2,400, each Owner would be liable to contribute £800, so NHBC would not pay your share. If the Cost of repair is £3,300, each Owner would be liable to contribute £1,100, so NHBC would pay your share in full.

## Special condition

At NHBC's request, you must join with the Owners of other Homes sharing the relevant Common Parts in making a claim. If you do not do so, we will still deduct the amount that you are legally liable to contribute towards the Cost of the repairs from the financial limit of cover for your Home in the relevant Section.

## Complaints and disputes procedures

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At NHBC, we pride ourselves on the service we give our customers.

If you are not satisfied with the way we handle your request for assistance or your claim, please write to the Claims Manager at NHBC House, Davy Avenue, Knowhill, Milton Keynes MK5 8FP. He or she will contact you after reviewing your file.

If you are still not satisfied with the review, please write to the General Manager - Claims at the above address.

The General Manager - Claims' own staff will investigate or review your file and will give you a written response.

After this stage, several options are available if you remain dissatisfied or have more complex concerns.

### Complaints against NHBC

#### The Financial Ombudsman Service (FOS)

You are entitled to ask the FOS to investigate complaints against NHBC relating to our insurance cover. Its address is:

The Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London E14 9SR  
Tel: 0800 023 4567  
[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

This independent organisation will inform you of its finding following investigation. We must accept that finding. You, however, need not accept it.

#### The Association of British Insurers

This is an association for insurance companies which produces codes of practice for the industry. It acts as a spokesperson on many issues. Unlike the FOS, it has no dispute resolution role, but you may find that it can give advice on general insurance matters. Its address is:

The Association of British Insurers  
51 Gresham Street  
London, EC2V 7HQ  
Tel: 020 7600 3333  
[www.abi.org.uk](http://www.abi.org.uk)

## Complaints and disputes procedures

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### **Other options for resolving disputes with NHBC**

The following notes give guidance on ways of resolving different types of disputes. However, you may wish to seek advice about the most suitable method to meet your specific needs.

#### **Arbitration**

Arbitration means that an independent arbitrator considers the facts of the dispute and decides how it will be settled. In Scotland, arbitrators are called arbiters.

Arbitration has the advantage of being generally quicker than court actions and can deal with any matters, provided both parties agree. An arbitrator's award is legally binding and can be enforced in the same way as a court judgement. However, as in court proceedings, one party may have to pay the costs and arbitrator's fees. Further details are available free of charge from the Chartered Institute of Arbitrators. If, after receiving details, you wish to proceed, the institute will appoint an arbitrator upon your application. Their address is:

The Chartered Institute of Arbitrators  
12 Bloomsbury Square  
London  
WC1A 2LP  
Tel: 020 7421 7444

#### **Small Claims Court**

The Small Claims Court may be suitable for resolving relatively small disputes where the amount falls below a specified level. It is quicker than other forms of court action and the proceedings are less formal. Details are available from any County Court office or, in Scotland, the Sheriff Clerk's office, and many Citizens Advice Bureau.

#### **Other courts**

The courts may be suitable for resolving different types of claims involving contractual, financial and boundary disputes, as well as disputes about standards of workmanship, where there is significant cost and complexity. You should seek advice from a solicitor or Citizens Advice Bureau.

#### **Other forms of alternative dispute resolution**

There is a wide range of other methods of resolving various disputes. Many are informal and are intended to be used without legal representation.

A Citizens Advice Bureau or your legal adviser should be able to give you further advice on these methods.

# Notes

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This leaflet has been printed on material which is produced from well-managed forests and is fully recyclable and biodegradable, ECF (elemental chlorine free) and is made to ISO 14001 Environmental Certification.



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