



Solo for Self Build

| Your insurance cover from NHBC |

Applicable to newly built self build properties registered with NHBC from 1 April 2005





Your right to cancel

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:

letter Customer Services
 NHBC
 Buildmark House
 Chiltern Avenue
 Amersham
 Bucks HP6 5AP

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

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, which would prevent the issue of the Insurance Notice.
- 2) against Major Damage due to a Defect in the Structure

and Damage or Defects in other specified parts of the Home during years three to ten.

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

You may also have selected other optional cover.

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



Definitions

Leaving this flap open while reading the document will provide easy access to the definitions of key words which are printed in bold type.

Definitions

Certain key words and phrases in this policy have special meanings. They are printed in **bold** type and their definitions are given below. In this policy the **Self Builder** is addressed as 'you'.

Application

The form completed by or on behalf of the **Self Builder** describing the **Home** and used to enrol it for cover under this policy.

Contractor

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.

Damage

Physical damage to the **Home** caused by a **Defect**.

Damage Liability Period

This means the period of six months from the date of the **Insurance Notice** (provided that the part of the policy covering this period is in operation).

Defect

A defect in the **Home** resulting from a breach of any of **NHBC's Requirements**. It does not mean a failure solely to comply with the functional tests or guidance notes in the Requirements.

Home

The house or bungalow or single storey home referred to in the **Application**, and

- a) the drainage system below ground serving the **Home** for which you are responsible;
- b) a conventional heating system (consisting of electric storage heaters or ducted warm air or water filled radiators), together with the hot water system and normal ancillary controls;
- c) any ventilation system and smoke alarm in the **Home** necessary to comply with the Building Regulations;
- d) the garage and any permanent outbuilding the **Structure** of which is physically attached to the house or bungalow and any retaining wall necessary for the structural stability of that house, bungalow, garage or permanent outbuilding;
- e) any detached garage or permanent outbuilding but only where it is included for cover by an endorsement on the **Insurance Notice** and not otherwise

newly built at the date of the **Insurance Notice** under a contract between you and one or more **Contractors** employed by you for the building of the **Home** (which includes plumbing, electrical and gas fitting contracts).

Home does not include any fence, temporary structure, swimming pool, lift, or any electrical, electronic or mechanical equipment (whether built in or not) other than those listed in b and c above.

Home Damage Period

The period of ten years from the date of the **Insurance Notice**.

Insurance Notice

The Notice issued by NHBC in relation to the **Home** stating that the **Home** appears to have been designed and constructed substantially in accordance with **NHBC's Requirements**.

Major Damage

This means **Damage** to the **Home** necessitating complete or partial rebuilding of the **Home** or extensive repair work to it.

In the case of walls and floors it is restricted to damage of the severity described in categories 4 & 5 in Tables 1 & 2 of the Building Research Establishment Digest No 251 (revised August 1995). In other cases it is restricted to damage of similar severity.

Maximum Insured Value

Maximum Insured Value means £500,000 increased by 12% a year compound from the date of the **Insurance Notice** or the **Value of the Home**, whichever is the less.

NHBC

The National House-Building Council.

NHBC's Requirements

The mandatory technical requirements adopted by **NHBC** and in force when the concreting of the foundations of the **Home** is started.

Stage Completion Certificate

The certificate issued by **NHBC** stating that the work up to the date of the certificate complies or substantially complies with **NHBC's Requirements**. In the text the certificate is called the **SCC**.

Self Builder

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.

Structure

The foundations of the **Home** and the structural load-bearing parts of its floors, walls and roof together with any retaining walls necessary for its stability.

Value of the Home

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**.



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Introduction

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's 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's Requirements**

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

Solo is divided into a page of definitions of key words used in the policy followed by three main parts:

Part A, which contains the details of the insurance together with special conditions applying to specific parts of the policy.

Part B, which contains the general exclusions limitations and conditions.

Part C, which contains the complaints and disputes procedures.

How to contact us to make a claim

Please call **0870 241 4329** or fax **0870 241 4330**

Alternatively you can write to us at: **NHBC Claims, Ash House, Breckland, Linford Wood, Milton Keynes MK14 6ET**

You can also use our online claims enquiry service at 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.

Part A The insurance cover

The only liabilities and obligations NHBC has to you are in this policy. It has no other liabilities or obligations to you whatsoever.

Section 1

The Construction Period

- 1 If, during the construction of your **Home** and before it is ready for occupation:
 - a **NHBC** has issued a **SCC** in respect of any work; and
 - b after the issue of that **SCC** a **Defect** is found in that work which would prevent the issue of an **Insurance Notice**

NHBC will pay you the cost of putting that work right.

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

- 2 Instead of paying the cost of any work referred to in this Section, **NHBC** may (at its option) arrange for that work to be carried out.

Special Conditions to Section 1

- 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 so 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 a 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 fourteen days' written notice of its intention to do so.
- c If work to the **Home** has been substantially completed at the date of cancellation of the policy **NHBC** may, in its absolute discretion, give you an **Insurance Notice** covering only the completed work.
- d If the policy is cancelled **NHBC** may, in its absolute discretion, refund all or part of the premium.

- e Any claim under this section must be reported in writing to **NHBC** no later than one month after the date of issue of the **Insurance Notice**.

Important note

NHBC's liability under this Section is also subject to the general exclusions, limitations and general conditions set out in Part B.

Section 2

The Damage Liability Period

This Section will only operate if it has been requested in the **Application** and the premium for it has been paid.

- 1 If during the **Damage Liability Period** a **Contractor**:
 - a fails due to his insolvency to put right any **Defect** or **Damage** which he is obliged to put right under the contract which you have entered into with him; or
 - b fails to comply with an arbitration award or court judgment which you obtain against him relating to that **Defect** or **Damage**

NHBC will (at its option) either pay you the cost of putting right that **Damage** and the **Defect** that gave rise to that **Damage** or itself arrange to put them right.

- 2 If it is necessary for you or any person occupying the **Home** to vacate it to enable work referred to in this Section to be carried out, **NHBC** will also reimburse you any reasonable costs you actually incur for removal, storage or appropriate alternative accommodation. You must obtain **NHBC's** written agreement before you incur these costs; if you do not **NHBC** will not be liable to reimburse you.

Special Conditions to Section 2

- a **NHBC** will only pay under this Section that part of any cost (whether it pays you or carries out the work itself) which exceeds the relevant excess (see schedule in Part B).
- b If a **Contractor** is not insolvent but you consider that for some other reason he would not be able to satisfy

Part A The insurance cover

an arbitration award or judgement against him, you should inform **NHBC** immediately. In those circumstances **NHBC** may, in its absolute discretion, agree to treat your claim as valid.

Important note

NHBC's liability under this Section is also subject to the general exclusions, limitations and general conditions set out in Part B.

Section 3 The Home Damage Period

- 1 So long as it first appears and is reported to **NHBC** in writing during the **Home Damage Period**, **NHBC** will pay you the cost of putting right:
 - a **Major Damage** which is:
 - i Caused by a **Defect** in the **Structure**: in those circumstances **NHBC** will also pay the cost of putting right the **Defect**; or
 - ii Caused by subsidence, settlement or heave affecting the **Structure**: in those circumstances **NHBC** will also pay the cost of any work necessary to ensure that the **Structure** is not further affected by that subsidence, settlement or heave.
 - b Any **Defect** which causes a malfunction in the drainage system below ground level which was newly constructed as part of the **Home** and for which you are responsible.
 - c Any **Damage** to the:
 - i tile or slate roof coverings of any pitched roof;
 - ii external rendering or external tile hanging;
 - iii floor decking or floor screed resulting in failure to support normal loads.In these circumstances **NHBC** will also pay the cost of putting right the **Defect**.
 - d Any **Defect** or **Damage** in a flue or chimney serving a heating appliance

or fireplace, which at the time of the claim represents an imminent danger to the physical health and safety of an occupier of the **Home**.

- 2 If it is necessary for you or any person occupying the **Home** to vacate it to enable work referred to in this Section to be carried out, **NHBC** will also reimburse you any reasonable costs you actually incur for removal, storage or appropriate alternative accommodation. You must obtain **NHBC's** written agreement before you incur these costs; if you do not **NHBC** will not be liable to reimburse you.

Instead of paying the cost of any work referred to in this Section **NHBC** may (at its option) itself arrange for that work to be carried out.

Special Conditions to Section 3

- a You must report any claim under 1a to 1d above to **NHBC** in writing as soon as possible after its appearance. If you do not do so, **NHBC** will not be obliged to meet your claim.
- b **NHBC** will not be liable under this Section for or in respect of:
 - i The first £500 of any claim made under 1c above;
 - ii Any cost, loss or liability for which compensation is provided by legislation or which is covered by any other insurance policy;
 - iii Anything excluded from cover by an endorsement by **NHBC** on the **Insurance Notice**;
 - iv Any cost or expense greater than that necessary to effect a workmanlike repair of the relevant **Defect**, **Damage** or **Major Damage**.

Important note

NHBC's liability under this Section is also subject to the general exclusions, limitations and general conditions set out in Part B.

Part A The insurance cover

Section 4

The Building Control Period

This section only applies if NHBC Building Control Services Limited has issued a **Final Certificate** under the Building Act 1984. It does not apply to a **Home** in Scotland, Northern Ireland or the Isle of Man. Some of the words and phrases used in this Section are defined below.

- 1 **NHBC** will pay you the cost of putting right any of the work covered by the **Final Certificate** which does not comply with the **Specified Regulations** if the defective nature of the work first appears and is reported to **NHBC** in writing within the **Building Control Guarantee Period**.
- 2 Instead of paying the cost of putting right any work **NHBC** may (at its option) itself arrange to put it right.

Special Conditions to Section 4

NHBC will not be liable under this Section:

- a If you do not report the defective nature of the work to **NHBC** in writing as soon as possible after its acceptance;
- b For or in respect of any cost payable by **NHBC** under any other Section of this policy;
- c For or in respect of any defective work which does not cause a present or imminent danger to the physical health and safety of the occupants of the **Home**;
- d For or in respect of any cost, loss or liability for which compensation is provided by legislation or which is covered by any other insurance policy.
- e For any claim in respect of site preparation and resistance to moisture, relating to ground that is outside the foundations of the house, bungalow, maisonette, flat or its garage.

Definitions applying in this section

Building Control Guarantee Period

The period of 10 years from the date of the **Final Certificate**.

Final Certificate

A final certificate relating to the **Home** and given under the Building Act 1984 by **NHBC Building Control Services Limited**.

Specified Regulations

The regulations relating to:

- structure
- fire
- site preparation and resistance to moisture
- drainage and waste disposal
- heat-producing appliances

set out in the Building Regulations made under the Building Act 1984 and in force when the Initial Notice is given under that Act to the local authority for the area in which the **Home** is situated.

Important note

- 1 Under the Building Act 1984 you must comply with the Building Regulations. Under the Regulations you must notify either the local authority or an Approved Inspector of your intention to start work. You must comply with statutory procedures before starting work.
- 2 You may notify **NHBC Building Control Services Ltd.** (a company wholly owned by **NHBC**) which is an Approved Inspector. Alternatively you may notify another inspector approved under the 1984 Act or the local authority. You must decide who will carry out Building Control Regulation inspections before work starts.
- 3 If you have nominated **NHBC Building Control Services Ltd** to carry out Building Regulation inspections in respect of the **Home**, the **Insurance Notice** will incorporate a **Final Certificate** required by the Building Act 1984.
- 4 If this Section applies to your **Home** your rights under it are in addition to any other rights under this policy.

Part B

General exclusions, limitations and general conditions

General Exclusions

NHBC will have no liability in respect of the following:

- a Deterioration caused by neglect or wear and tear;
- b Normal dampness, condensation or shrinkage;
- c Any **Defect, Damage** or **Major Damage** caused by the installation or presence of a swimming pool or lift;
- d Loss of enjoyment, inconvenience, distress or any other consequential loss;
- e Any professional fees other than those reasonably incurred with the express written consent of NHBC (note: NHBC may, in its absolute discretion, waive this exclusion in cases where it accepts a claim which it had at first rejected);
- f Any costs which are attributable to your unreasonable delay in pursuing a claim.
- g Loss or damage resulting solely from flooding from whatever source, or from a change in the water table level.
- h Loss or damage caused by storm force weather conditions. In this respect NHBC may take into account reports from the Meteorological Office.
- i Death, bodily injury, disease, illness or injury to mental health.

Limitations

- 1 The maximum NHBC will pay in total under this policy is as follows:
 - a Under Section 1: £10,000;
 - b Under Section 2 (if operating): as set out in the schedule on page 8;
 - c Under Section 3: the **Maximum Insured Value**;
 - d Under Section 4: the original cost of the work covered by the **Final Certificate** increased from the date

of that Certificate until the date of payment by 12% a year compound;

- e For removal, storage and alternative accommodation: 10% of the **Maximum Insured Value**. NHBC's written consent must be obtained before you incur these costs.
- 2 NHBC's maximum liability in respect of the cost of any repair work will be the lower of:
 - a the reasonable cost of that work at the date of payment; and
 - b the reasonable cost of that work at the date of the **Insurance Notice** increased by 12% a year compound from that date to the date of payment.
- 3 NHBC will in no circumstances be liable to pay any sum or to meet any expense or to reimburse any cost which is greater than would have been paid or incurred by a reasonable person in the position of the **Self Builder** spending his or her own money.

General Conditions

You must comply with the following conditions when making a claim to NHBC. If you fail to comply with these conditions NHBC will have the right to reject your claim:

- a You must give notice in writing to NHBC as soon as possible of anything likely to give rise to a claim under this policy. That notice must be sent to NHBC at the address shown on page 3 of this policy.
- b You must complete and return a claim form within six months.
- c Before you put right any defective work you must notify NHBC of your intention to do so. You must allow NHBC sufficient opportunity to inspect that work and to decide what, if any, remedial work should be carried out.
- d You must provide at NHBC's request:
 - any plans, documents, correspondence with a **Contractor**;

Part B

General exclusions, limitations and general conditions

- the name and address of the owner of the **Home** if that is not you;
 - any other information which **NHBC** may reasonably require.
- e If **NHBC** makes a payment to you which you could recover or could have recovered from some other person, you must at **NHBC's** expense do whatever **NHBC** may reasonably require:
- i to recover payment from that person for the benefit of **NHBC**; or
 - ii to enable **NHBC** to enforce any rights you may have to that payment by taking over your claim against that other person or in any other way.

War and terrorism exclusions

NHBC is not liable for loss, damage, costs or expense 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, nationalisation, 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, then 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

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

Schedule applicable to Section 2

(Paragraph 2a on page 4)

The following excesses and maximum amounts which **NHBC** will pay (excluding any excess) will apply to each and every claim made under Section 2.

Location of Defect	£ Excess (You pay)	£ Maximum (NHBC pays)
1 Foundations below dpc/dpm	500	30,000
2 Drainage below ground	500	5,000
3 Ground floor	300	5,000
4 Walls up to first floor excluding internal finishes	300	7,500
5 Upper floors	300	5,000
6 Upper walls excluding internal finishes	300	5,000
7 Roof structure including ceilings	300	10,000
8 Plaster/dry lining, floor screeds	300	5,000
9 Permanent water/electrical/gas/heating pipes	300	5,000
10 Internal wall and floor finishes, doors and windows	300	10,000
11 Bathroom and kitchen sanitary ware (excluding storage units)	300	5,000

Complaints and disputes procedures

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 Ash House, Breckland, Linford Wood, Milton Keynes, MK14 6ET. 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.

The Financial Ombudsman Service (FOS)

You are entitled to ask the Financial Ombudsman Service to investigate complaints against NHBC relating to our insurance cover. Their address is:

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR
Tel: 0845 080 1800
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 Financial Ombudsman Service, 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

Complaints and disputes procedures

Other options for resolving disputes

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 judgment. 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 Bureaux.

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 types of 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



NHBC

Buildmark House, Chiltern Avenue, Amersham, Bucks HP6 5AP

Tel: 0870 241 4302 Fax: 01494 735201 www.nhbc.co.uk cssupport@nhbc.co.uk

NHBC is authorised and regulated by the Financial Services Authority

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