



What are premium refunds?

NHBC's role is to work with the house building industry to raise the standards of new homes and to provide protection for homebuyers. NHBC is an independent, non-profit distributing company which means that we do not aim to make a profit for distribution to shareholders. The income received from Buildmark/Buildmark Choice premiums is applied to meet NHBC's operating costs. Any surplus is then applied to achieve NHBC's mission of raising the standards of construction in the house building industry by funding research projects and providing a premium refund to qualifying builders.

The refund calculation is based on factors such as claims history, length of time on the NHBC Register and is structured to incentivise builders to achieve high standards and low levels of claims.

How do builders qualify for premium refunds?

An NHBC registered builder may be eligible for a premium refund if the business meets the following criteria:

- Are currently on the NHBC Register and hold a **Premium Rating** of A1.
- During the last 20 financial years (ending 31 March) in England, Scotland and Wales have paid at least:
 - £100,000 in premiums to NHBC (at current prices)
 - £25,000 for Northern Ireland and Isle of Man.
- Registered during the last 20 year period:
 - 750+ homes
 - 500+ for Northern Ireland and Isle of Man.

If a builder qualifies for a premium refund, when are they paid?

If a builder qualifies for a premium refund they are paid annually against premiums paid in a year on a rolling 15 year timeframe. For example, premiums paid for policies in 2003 are assessed for refund eligibility by NHBC in 2018 and for premiums paid in 2004, the refund eligibility calculation is undertaken in 2019 etc.



NHBC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. NHBC is registered in England and Wales under company number 00320784. NHBC's registered address is NHBC House, Davy Avenue, Knowlhill, Milton Keynes, Bucks MK5 8FP.