



Buildmark

Your warranty and insurance cover

Applies to newly built and converted homes
registered with NHBC from 1 April 2024

NHBC



Welcome to Buildmark

Congratulations on buying your new home.

This is the policy booklet for the NHBC Buildmark warranty and insurance policy for your new home. The **policy** is made up of this policy booklet, the **insolvency cover certificate**, the **Buildmark certificate** and the **policy schedule** (referred to together as the policy documents). The policy documents contain the full terms and conditions (including exclusions) that apply to your **home**.

Your **policy schedule** will set out the start date and end date of the cover that applies to your **home**, as well as any additional exclusions or amendments to the terms and conditions set out in this policy booklet. Words and phrases that are shown in bold are defined on pages 12 to 16 of this booklet to help you understand the cover provided.

Your conveyancer will give you the policy documents for the **policy**. If you do not receive any of the documents, please contact us. Our contact details are on page 7.

The 'Summary of key information about Buildmark' on page 8 provides a summary of the main features of Buildmark. Buildmark is not designed to cover you for all damage or defects in your **home**. You should read the policy documents carefully so you understand the extent and limitations of the cover provided for your **home**. You can contact us for help if you are not sure.

The diagram below shows how Buildmark works in typical circumstances (but not all circumstances).



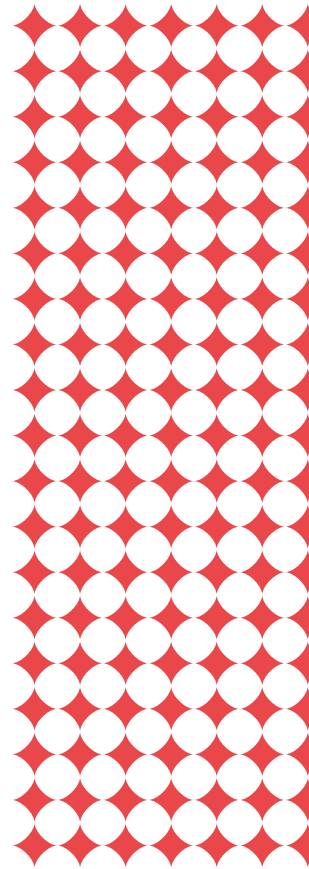
If you have any questions about Buildmark or the **policy**, please contact us.

We hope you enjoy your new home.



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Contact details

How to contact us

General enquiries

Phone: **0344 633 1000**
(Monday to Friday, 9am to 5pm)

Email: **ccsupport@nhbc.co.uk**

Website: **nhbc.co.uk**

Address: **NHBC, NHBC House, Davy Avenue,
Knowlhill, Milton Keynes,
Buckinghamshire, MK5 8FP**

Complaints

Email: **consumeraffairs@nhbc.co.uk**

Who to contact and when

Before completion

For claims:

Phone: **0800 035 6422**
(Monday to Friday,
9am to 5pm)

Website: **nhbc.co.uk/
claims**

During the builder warranty period

(shown on the **policy
schedule**)

Contact the **builder**. If you
can't find their details, or you
need to use our **resolution
service**, please contact us.

After the builder warranty period

For claims:

Phone: **0800 035 6422**
(Monday to Friday,
9am to 5pm)

Website: **nhbc.co.uk/
claims**

Summary of key information about Buildmark

This summary includes the main features of Buildmark. The full terms and conditions are set out in the rest of this policy booklet, which you should read along with your **Buildmark certificate** and the **policy schedule**.

The NHBC Buildmark policy is split into three main sections, each providing a different period of cover.

	Section 1 Builder insolvency before completion	Section 2 Builder warranty
What you are covered for	Losing your deposit or having to pay more to complete the building of your home , as a result of the builder becoming insolvent .	The builder failing to meet NHBC requirements when they built your home or prepared the land .
When you are covered	From exchange of contracts to the completion date .	During the first two years from the start date shown in your policy schedule , except for matters involving shared parts . In this case, the builder warranty period is three years from the completion date of the first home that shares those parts. The resolution service can be requested within three years after the end of the builder warranty period .
Who to contact	NHBC (see page 7)	Your builder
What we will do	We may repay your deposit or any reasonable extra amount you have to pay for the construction of the home to be finished.	The builder must put right anything covered by Buildmark that does not meet the NHBC requirements . If the builder does not do so, we may offer our free resolution service (see section 2.2 on page 23). If the builder still does not put things right after the resolution service or a court judgment, you may be covered by the NHBC guarantee (see section 2.3 on page 25).
Main conditions and exclusions (see the relevant section of the policy for full details)	Cover is limited to the original specification in the contract with the builder and what is necessary to meet the NHBC requirements .	We can only help with disputes about the builder failing to meet the NHBC requirements . We cannot help with disputes over boundaries, planning decisions, or contractual, financial or other matters. The policy does not cover cosmetic damage which is reported to the builder more than seven days after the completion date .



<h2>Section 3</h2> <h3>Damage caused by a defect, and contaminated land</h3>	
What you are covered for	<p>Damage to your home because the builder failed to build specific parts of your home to meet NHBC requirements.</p> <p>Contamination on or in the land, which has resulted in, or could result in, a statutory notice being issued.</p>
When you are covered	During the eight years after the builder warranty period , up to 10 years from the completion date .
Who to contact	NHBC (see page 7)
What we will do	<p>We will either:</p> <ul style="list-style-type: none">• pay to put right the defect and damage resulting from the builder failing to meet the NHBC requirements when building certain parts of your home; or• take responsibility for having the work done to meet the NHBC requirements. <p>We may also pay lost rent or the reasonable costs of alternative accommodation and removing and storing possessions.</p> <p>We will have work carried out to treat, isolate or remove contamination from the land in line with the statutory notice, or pay you what it would cost us to have the work done.</p>
Main conditions and exclusions (see the relevant section of the policy for full details)	<p>For damage caused by a defect there is a minimum claim value (see clause 3.1.4).</p> <p>Cosmetic damage is not covered under section 3.</p> <p>Examples of things you cannot claim for include:</p> <ul style="list-style-type: none">• damage to roof coverings, unless water is getting into your home;• water entering, or dampness or condensation in, an underground garage, if its structural stability is not affected;• damage which only affects floor coverings; and• changes in the colour or texture of, or staining to, finishes.

Financial limits

Standard financial limits for claims under each section of the **policy** are summarised in the table below. If different limits apply, they will be shown in your **policy schedule** (in the 'endorsements' section).

	Standard financial limits that apply to your home and the land		Standard overall financial limits that apply to the continuous structure your home is in (for claims involving shared parts)	
	New build	New conversion	New build or a mixture of new build and newly converted	New conversion
Section 1	10% of the original purchase price of your home , up to a maximum of £100,000.	10% of the original purchase price of your home , up to a maximum of £100,000.		
Section 2 and Section 3 (total for both sections combined)	The original purchase price of your home , up to a maximum of £1,000,000.	The original purchase price of your home , up to a maximum of £500,000.	The overall total of the limits for all individual homes, up to a maximum of £25,000,000.	The overall total of the limits for all individual homes, up to a maximum of £5,000,000

On each anniversary of the **completion date**, the overall financial limit will increase by 5% of the original limit, until the **policy** ends. The financial limit that applies to a claim will be calculated on the date that:

- you tell us you want to make a claim; or
- we confirm the claim is valid;

whichever gives a higher limit.

Contact us if you would like to know the current financial limits under the **policy**.

Minimum claim value

A **minimum claim value** applies to **damage** caused by a **defect**, as explained in clause 3.1.4 on page 27.

Your **policy schedule** shows the **minimum claim value** at the time the **policy schedule** was produced. You can contact us to find out the current value.

The **minimum claim value** increases by £50 on 1 April every year from the end of the **builder warranty period**. We will let you know the **minimum claim value** that will apply to your claim at the time you make a claim.

Clause 3.1.4 explains how the **minimum claim value** would be applied to a claim.

Selling your home

When you sell your **home**, the **subsequent owner** automatically has the benefit of the remaining cover provided by the **policy**.

You must pass on all the policy documents to the **subsequent owner** of the **home**. When you sell your **home**:

- you cannot make new claims after the sale completes; but
- you have the right to continue with any claim you made before the sale completes (but that right will transfer to the **subsequent owner** when the sale completes).

Notice of a change of ownership or managing agent

You must tell us about any change of ownership of the freehold, commonhold or leasehold of the **home** as soon as possible.

If there is a change to the appointed **managing agent**, you must give us the name and contact details of the new **managing agent**.



Interpretation and definitions

In this policy booklet:

- ‘you’ and ‘your’ refers to the **owner**, as defined below; and
- ‘we’, ‘us’ and ‘our’ refer to NHBC.

Where we have referred to pieces of legislation, those references include any extended or amended version of that legislation, any replacement or re-enactment of it, and any regulations made under it.

Where appropriate, words that are singular include the plural (and vice versa).

The words and phrases printed in **bold** in this policy booklet have the meanings shown below.

builder	<p>References in this policy booklet to the builder mean the NHBC-registered:</p> <ul style="list-style-type: none"> • person, firm, or company named as the builder in the policy schedule and the Buildmark certificate; and • developer (a person, firm, or company) your home was first bought from (where appropriate). <p>All obligations of the builder named in the policy schedule are also obligations of the developer.</p> <p>Any references in this policy booklet to things done (or to be done) by the builder also refer to things done (or to be done) on behalf of the builder.</p>
builder warranty period	The period of cover for the builder warranty section shown in the policy schedule .
building regulations	<p>Regulations (made under the Building Act 1984, The Welsh Ministers (Transfer of Functions) (No. 2) Order 2009, the Building (Scotland) Act 2003, the Building Regulations (Northern Ireland) Order 1979 or similar legislation) that:</p> <ul style="list-style-type: none"> • apply to the construction of your home; and • were in force when the ‘building notice to build’ (or equivalent) was submitted to the local authority.
Buildmark certificate	The certificate we issue to the first owner to confirm the home is covered by the policy .
completion date	<p>This is usually:</p> <ul style="list-style-type: none"> • the date the sale to the first owner legally completes (or, in Scotland, the date of entry); or • the date the warranty release confirmation is issued; <p>whichever is later.</p> <p>However, if:</p> <ul style="list-style-type: none"> • the first owner enters into a contract with the builder to build or convert the home rather than to buy it (for example, to build or convert a property on land the first owner owns or is buying separately); or • someone was living in the home before the sale to the first owner completed (or, in Scotland, the date of entry); <p>the completion date is the date the warranty release confirmation is issued.</p>



continuous structure	A newly built or newly converted structure which contains two or more homes built by the builder . For example, we would treat newly built terraced houses as one continuous structure, but we would treat two apartment blocks joined by a bridge, walkway or underground car park as two continuous structures. A single building that contains a new home and any part or parts used for some other purpose (for example, an office or garage) would also be considered to be a continuous structure.
contract	The contract (or, in Scotland, missive) between the builder and the first owner of the home , for: <ul style="list-style-type: none"> • the first owner to buy the home from the builder; or • the builder to build or convert the home.
conversion	A new home that is converted from (and includes all or part of) an existing structure, regardless of how that structure was originally intended to be used.
damage	Physical damage that is caused to the home by a defect and has a negative effect on the performance set by the NHBC requirements . Note: damage that is purely cosmetic is not covered under section 3.
defect	A failure by the builder (or anyone employed by or acting for them) to meet any NHBC requirement . If the builder does not follow the guidance supporting an NHBC requirement , this does not necessarily mean they have failed to meet that NHBC requirement if they can show the requirements have been met by a different method.
endorsement	A change to the standard terms of the policy , as shown on your policy schedule .
garden	An area of ground that is within 20 metres from the parts of the home that are intended to be lived in, and which you are responsible for maintaining. For the purposes of section 3.3, the definition of garden will not be limited to the area within 20 metres of the parts of the home that are intended to be lived in.
home	Under all sections of the policy , the home is the new property or conversion described in the Buildmark certificate , including the following. <ol style="list-style-type: none"> Shared parts Garages included in the contract Newly constructed underground drainage systems (including any associated pipes, channels, gullies and inspection chambers) that: <ul style="list-style-type: none"> • serve the home; • were installed by the builder; and • you are responsible for at the start of the policy Basements or semi-basements designated as living space at the time of construction Walls (including retaining walls) that form part of, or support, the structure of the home, and that: <ul style="list-style-type: none"> • were newly built by the builder by the completion date; and • are on the land

<p>home (continued)</p>	<p>Under sections 1 and 2 of the policy, the home also includes the following.</p> <p>f) Drives and paths on the land that give access to the main entrance door and any secondary entrance door</p> <p>g) Any security or surveillance systems installed by the builder</p> <p>h) The external handrails and balustrades, paths, driveways, garden areas, paved areas, boundary walls and retaining walls that:</p> <ul style="list-style-type: none"> • were newly built or installed by the builder by the completion date; and • are on the land <p>i) The electrical fixed-wiring and fixed-lighting system, heating system, air-conditioning system, smoke alarms, waste-disposal unit, water-softening equipment, and any other mechanical and electrical equipment that is needed to meet building regulations and:</p> <ul style="list-style-type: none"> • was newly installed in the home by the builder by the completion date; and • is for your use only <p>j) All basements or semi-basements, whether designated as living space or non-living space</p> <p>k) Lifts, including mechanical and electrical equipment needed to meet the building regulations (for section 1 only)</p>
	<p>l) Electric-vehicle charging points needed to meet building regulations</p> <p>Unless any section of the policy says otherwise, the home does not include the following.</p> <ul style="list-style-type: none"> • Barns and stables • Swimming pools • Lifts (except under section 1) and escalators • Temporary structures • Permanent outbuildings • Garden structures and sheds • Access roads • Water, gas, electricity and telecommunications supply pipes, cables and lines • Fences • Electronic keys • Household appliances • Carpets and personal belongings • Original structures and services • Any items that are specifically excluded by an endorsement • Septic tanks and treatment plants, including their outfalls, soakaways, pumping equipment and associated equipment • Items not within the legal boundary of the home or shared parts • Any work not carried out by, or on behalf of, the builder and not part of the contract with the first owner
<p>insolvency cover certificate</p>	<p>The certificate we issue when you or your conveyancer activates the policy after exchange of contracts for buying the home or entering into the contract to build or convert the home. It confirms that cover under section 1 is in place.</p>

insolvent	<p>The builder is insolvent if they:</p> <ul style="list-style-type: none"> • are declared bankrupt (or, in Scotland, sequestrated); • are in liquidation; • have had an administrator appointed; or • have had a receiver, administrative receiver or manager appointed over any or all of their property, assets or business.
land	<p>The ground (as recorded at the Land Registry) that is beneath your home and immediately surrounding your home (including garden areas, driveways and allocated car parking associated with the home) that:</p> <ul style="list-style-type: none"> • was sold to the first owner under the contract; • you pay a service charge for (if your home is leasehold); or • was owned by the first owner, or was being purchased separately by them, when the original contract was entered into. <p>It does not include adjoining fields, recreation grounds, woodland, highways that are adopted (that is, owned by a highway authority for public use) or can be adopted, and public open spaces.</p>
long leasehold title	<p>A lease:</p> <ul style="list-style-type: none"> • with a term of over seven years (or 20 years in Scotland and 21 years in Northern Ireland and Isle of Man); and • which includes an obligation to repair and maintain the parts of the home that are covered by the policy.
managing agent	<p>A person or company appointed to manage the building the home is a part of.</p>
minimum claim value	<p>The amount shown in the policy schedule as the minimum claim value, which is the minimum repair cost required for a claim to be covered under section 3.1.</p> <p>For the purpose of assessing a claim against the minimum claim value, the repair cost is the total it would cost us to repair the damage and the defect causing it, as long as the defect is in one of the parts of your home listed in clause 3.1.1.</p> <p>We will calculate the repair cost when we make a decision on your claim.</p>
NHBC requirements	<p>The mandatory NHBC technical requirements contained in the NHBC Standards, the current versions of which are set out below.</p> <ul style="list-style-type: none"> • R1: 'Work shall comply with all relevant building regulations and other statutory requirements relating to the completed construction work. Please note, this does not include statutory requirements for planning permission, which are not covered by the NHBC Standards.' • R2: 'Design and specification shall provide satisfactory performance.' • R3: 'All materials, products and building systems shall be suitable for their intended purpose.' • R4: 'All work shall be carried out in a proper, neat and workmanlike manner.' • R5: 'Structural design shall be carried out by suitably qualified persons in accordance with British Standards and Codes of Practice.' • R6 (for newly converted properties only): 'Survey requirement for conversions and renovations. Existing buildings shall be surveyed to determine their condition and the work required to bring them into a durable and habitable state.' <p>The NHBC Standards that apply to your home will be those in force at the time the foundations were started.</p>



original specification	The specification relating to the building or conversion work, as set out in the contract .
owner	This is either: <ul style="list-style-type: none"> • the person, people or organisation named as the owner in the policy schedule, who entered into the contract for the home with the builder; or • a subsequent owner.
policy	The Buildmark warranty and insurance policy, made up of this policy booklet, the insolvency cover certificate , the Buildmark certificate and the policy schedule .
policy schedule	The document we provide with your Buildmark certificate . It shows your insurance details, including the sections of the policy that apply, any endorsements , financial limits, and minimum claim value .
resolution report	A report we issue as part of our resolution service .
resolution service	The service we may provide to decide if the builder has failed to meet the NHBC requirements , and what the builder should do to meet their responsibilities under section 2 of the policy .
shared parts	The following parts which you share with other people and for which you, as the owner of your home , are legally obliged to contribute an amount towards the cost of repairs and maintenance. <ul style="list-style-type: none"> • The drainage system serving the home • In the case of a flat or maisonette, the structure of the building it is in For section 2 of the policy , shared parts also include: <ul style="list-style-type: none"> • garages, retaining walls and boundary walls; and • external handrails and balustrades, paths, drives, garden areas and paved areas, if newly built by the builder at the completion date. The shared parts do not include any heating or energy-production system shared by more than one home.
statutory notice	A notice requiring you to take action to treat, isolate, or remove contamination, which is served under: <ul style="list-style-type: none"> • part IIA of the Environmental Protection Act 1990 or part III of the Waste and Contaminated Land (Northern Ireland) Order 1997; or • any equivalent law of the Isle of Man.
subsequent owner	This is either: <ul style="list-style-type: none"> • the person, people or organisation granted a long leasehold title of the home; • the person, people or organisation that takes over the freehold or commonhold ownership of the home or any long leasehold title; or • any mortgage provider who has taken possession of the home. If there is a subsequent owner, any previous owner (either the original owner named in the policy schedule or a previous subsequent owner) can only make a claim under the policy in connection with any interest they still have in the home .
warranty release confirmation	The confirmation we issue to the builder to confirm that the home meets our requirements for the Buildmark cover.



General exclusions

The **policy** does not cover you in every event or circumstance - it covers you only for the things described in this policy booklet.

You cannot claim under the **policy** for any of the following, or the consequences of any of the following.

- a) Any loss or damage caused to anything that is not part of the **home**
- b) Any loss or damage that is caused by anything other than the **builder** failing to meet the **NHBC requirements**
- c) Any repair that exceeds the **original specification** for the **home**
- d) Reinstating any areas not directly affected by **damage**
- e) Additional costs arising from unreasonable delays in reporting an issue to us or the **builder**
- f) Anything that the **policy schedule** or the **Buildmark certificate** says is excluded
- g) Claims relating to any fence, temporary structure or swimming pool, or any technology (for example, smart technology or home automation such as voice assistants or lighting controls) not required to meet **building regulations**
- h) Except under section 1, all claims relating to a lift (other than the lift shaft)
- i) Anything which you (or a previous **owner**) have already had considered under our **resolution service**, or as part of another claim under the **policy**
- j) Anything you can claim for (or have claimed for) under a different insurance, warranty, guarantee scheme or formal compensation scheme (for example, for subsidence caused by coal mining or pumping brine)
- k) **Defects** or **damage** that you knew about before you bought your **home**
- l) **Defects** or **damage** resulting from the **builder** following written instructions given by or on behalf of the first **owner**, if the **builder** has given written notice that the instructions do not meet the **NHBC requirements**
- m) Anything done to your **home** or the **land** after the **completion date**, even if carried out by the **builder**
- n) Gradual deterioration, wear and tear, neglect, or failure to carry out appropriate maintenance
- o) **Damage** caused by equipment operating as it is designed to do (for example, sprinkler systems, flood-protection systems, and drainage systems)
- p) **Damage** caused by anything which is not part of your **home**, the **shared parts**, or the **land** (for example, damage caused by a crane or scaffolding)
- q) Claims relating to the parts of a shared heating or hot-water system (or both) or energy-production system
- r) Damp, condensation, shrinkage, thermal movement (expansion and contraction as a result of temperature changes) and movement between different types of materials, if this is not a result of the **builder** failing to meet the **NHBC requirements**
- s) The **builder** failing to get planning permission or failing to build in line with planning permission
- t) Work done by anyone other than the **builder**
- u) Any reduction in the value of your **home** or **land**

v) Any:

- loss of enjoyment;
- loss of use;
- loss of income (except for loss of rent, which is covered under section 3.2);
- loss of business opportunity;
- inconvenience or distress;
- losses or costs (or both) arising indirectly, as a result of the events or circumstances that led to your claim;
- increase in your buildings or other household insurance premium; or
- cost related to safety and security measures that are introduced in the time between a **defect** being discovered and it being repaired (for example, waking watch, where staff patrol the building, fire alarms and sprinklers).

w) The cost of getting professional advice in connection with your claim (unless we asked you to do so or we agreed to the cost in advance)

x) Claims made by or on behalf of a related party (the **builder** or any party with a financial or managerial interest in the **builder**, or any party the **builder** has a financial, executive or managerial interest in) including any subsidiary company

y) Loss or damage caused by or arising from:

- storms and other severe weather conditions;
- flooding and changes in the water-table level;
- fire and smoke; or
- death or injury (physical, mental, or emotional).

z) War (whether war is declared or not), invasion, civil unrest or commotion, rebellion, revolution, uprising or overthrowing of power

aa) Property being confiscated, nationalised, seized, withheld, destroyed, damaged or altered by or under the order of any government or public or local authority

bb) Acts of terrorism (regardless of another contributing cause or event), or action taken to control, prevent or suppress an act of terrorism (for the purpose of this exclusion, terrorism means any action or threat, whether or not it involves force or violence, that is committed for political, religious, ideological or similar purposes, including any action or threat that is intended to influence a government, or is designed to scare or intimidate the public or any section of the public)

cc) The performance, outputs, charging speeds, location, or positioning of any electrical or mechanical installation, other than what is required to meet the **building regulations** (for example, solar panels and electric vehicle charging points).

If you are not sure what is not covered by the **policy**, please contact us. Our contact details are on page 7.





Section 1 – Builder insolvency before completion (cover for first owners only)

This section provides cover if the **builder** becomes **insolvent** before the **completion date** and this means that they cannot finish construction of your **home** or refund you the amounts paid to the **builder** under the **contract** as part-payment for the **home**.

It provides cover if you can demonstrate (to our reasonable satisfaction) that:

- at the time you entered into the **contract**, you had good reason to believe the **builder** could meet their obligations under the **contract**; and
- you always intended to complete the purchase of the **home** and use it as your own home, or as a property for your tenants or licensees.

1.1 What is covered

If the **builder** becomes **insolvent** during the period of cover shown in the **insolvency cover certificate** for this cover, we will cover:

- any amount you have paid to the **builder** under the **contract** as part-payment for the **home** and which you cannot recover from the **builder** or any other party; or
- any reasonable additional amount (over that set out in the original **contract**) that you have to pay for the construction of the **home** to be finished.

1.2 What is not covered

In addition to the general exclusions (see page 18), this section will not cover any claim if:

- before you entered into the **contract**, you knew (or could reasonably be expected to have known) that the **builder** was **insolvent** or likely to become **insolvent**; or
- the amount you paid to the **builder** under the **contract** was intended to be a short-term investment to fund construction of the **home** (or **continuous structure**) and you intended to receive a return on your investment instead of completing the purchase of the **home**.

1.3 What we will do and pay for

We will decide to pay either:

- the amount that you paid to the **builder** under the **contract** as part-payment for the **home** and cannot recover from them or any other party;
- the reasonable cost of finishing the construction of the **home** to the **original specification**; or
- the reasonable extra costs above the **contract** price, including appropriate professional fees, for work needed to finish the construction of the **home** to the **NHBC requirements**;

whichever we think is most suitable.

The most we will pay is the limit shown in the **insolvency cover certificate** for this section.

If appropriate, we will also pay the cost of reasonable precautions to secure the work defined in the **contract** against unauthorised entry, theft and vandalism until work starts again.

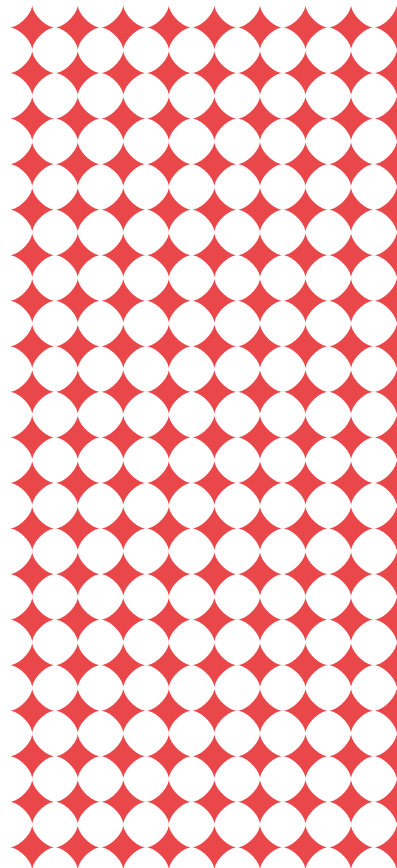
If the **contract** is for more than one home, the financial limit available to you under this section will be reduced accordingly to reflect the proportion that the contract value of any home already completed under the **contract**, at the time of the claim, bears to the total contract value. For example, if the contract value of the homes already completed at the time of the claim is equal to 10% of the total contract value of all homes, the financial limit will reduce by 10%.

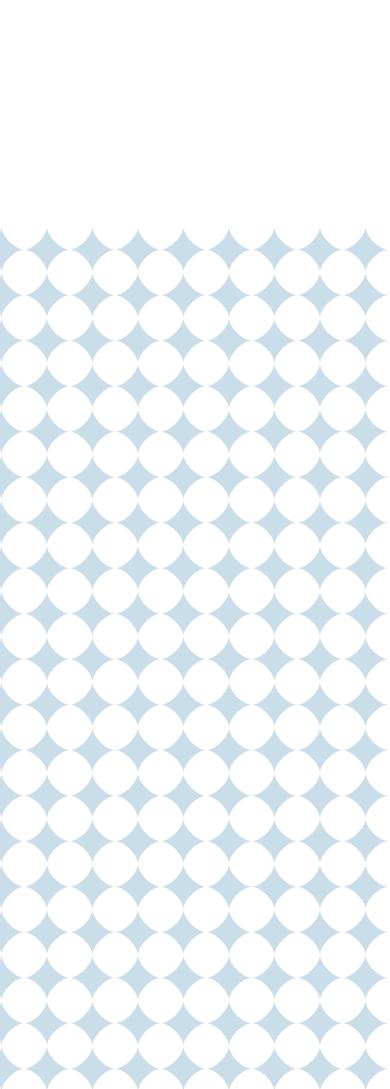
1.4 When you can claim

You can claim during the period shown in the **insolvency cover certificate** for this section.

1.5 Who to contact

Contact us. Our contact details are on page 7.





Section 2 – Builder warranty

2.1 Builder's responsibilities

This explains what cover is provided to you by the **builder** (not us) for any **defect** and any **damage** caused by a **defect**.

2.1.1 What is covered

If, during the **builder warranty period**, you told the **builder** about (and can show that you told the **builder** about) something you believe is due to them failing to meet the **NHBC requirements**, they must put the matter right at their own cost and within a reasonable time. This means that they must:

- put right any **defect** and repair any **damage** it caused to your **home** (and the **continuous structure**, if appropriate);
- take action to treat, isolate or remove contamination from the **land** in line with any **statutory notice**, or to improve the condition of the **land** to prevent a **statutory notice** from being issued; and
- pay for the reasonable cost of removing and storing your possessions and providing alternative accommodation if you cannot live in your **home** while the work is being done.

Justified concerns about **defects** that you raised with the **builder** during the **builder warranty period** will remain the responsibility of the **builder** even after that period ends.

2.1.2 What is not covered

In addition to the general exclusions (see page 18), section 2.1 will not cover any claim:

- for cosmetic damage which is reported to the **builder** more than seven days after the **completion date** (for example, scratches to windows or damage to sanitary fixtures and fittings); or
- if you cannot show that you reported the matter to the **builder** during the **builder warranty period**.

2.1.3 Who to contact

Contact the **builder** as soon as you reasonably can and keep a record of what you said, who you wrote to or spoke to, and when.

If you believe the **builder** will not be able to meet their responsibilities, you have not been able to contact them, or they do not put things right to your satisfaction after you have gone through their entire complaints procedure, please contact us. We will speak to the **builder**.

Our contact details are on page 7.

2.2 Resolution service

We may offer our **resolution service** to help resolve problems that arise between you and the **builder** during the **builder warranty period**. To request this service, you must have gone through the **builder's** entire complaints procedure and have a final written response from them.

2.2.1 What is covered

The **resolution service** is designed to help settle disputes about a **defect** and what work the **builder** needs to do to meet their responsibilities under the builder warranty to meet the **NHBC requirements**.

2.2.2 What is not covered

In addition to the general exclusions (see page 18), we cannot help with disputes that:

- are over boundaries, planning decisions, contractual matters (other than a failure to meet the **NHBC requirements**) or financial matters; or
- we decide are not suitable for the **resolution service** (in this case, you may need to consider an alternative method of settling the dispute, as explained in clause 2.2.6).

2.2.3 What we will do

If we think that the matter relates to (or may relate to) the **builder** failing to meet the **NHBC requirements**, we will contact the **builder**.

If the **builder** still doesn't deal with the matter to your satisfaction, we will investigate whether the **builder** failed to meet the **NHBC requirements** and decide what they must do to meet their obligations.

We will give you and the **builder** our decision in a **resolution report**. The **resolution report** is binding on the **builder** but not on you. If you do not accept all or part of the **resolution report**, you may consider an alternative method of settling the dispute (see clause 2.2.6).

If you accept the **resolution report** and the **builder** still does not put the matter right by the date stated in the **resolution report**, and we have not agreed a later date with the **builder**, you may be covered by the NHBC guarantee (see section 2.3).

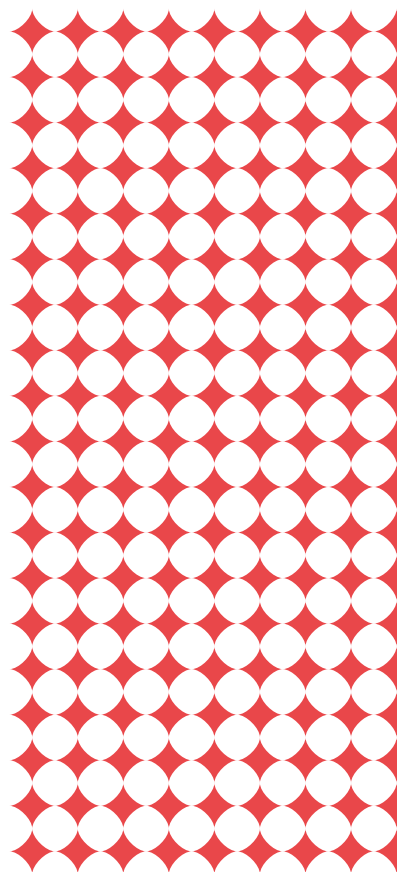
2.2.4 When you can request the resolution service

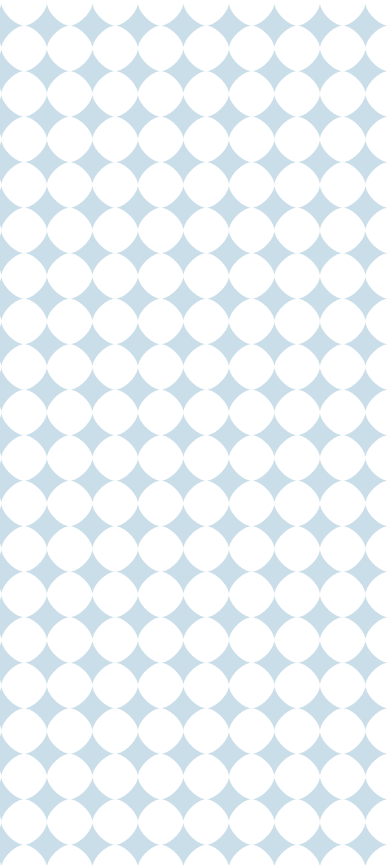
You must make your request to use the **resolution service** as soon as reasonably possible during the **builder warranty period**, and no later than three years after the end of the **builder warranty period**.

2.2.5 Who to contact

If you have been through the **builder's** entire complaints procedure and have not managed to reach an agreement with them, you can contact us. Our contact details are on page 7.

You will need to send us a copy of the final response to your complaint from the **builder** so we can assess whether the **resolution service** is suitable.





2.2.6 Alternative methods of settling disputes

If the **builder** does not meet their responsibilities, or you disagree with anything in the **resolution report**, you can choose to:

- use an alternative dispute resolution service, such as the Independent Dispute Resolution Scheme run by the Centre for Effective Dispute Resolution (www.cedr.com);
- take the **builder** to court; or
- refer to an ombudsman scheme.

If you choose to take either of these actions, our **resolution service** will end and we will have no further responsibility to you, unless (and until) the **builder** fails to satisfy a court judgment.

2.3 NHBC Guarantee

We guarantee the **builder's** obligations under the builder warranty. This means we will cover you if the **builder** fails to meet their obligations under the builder warranty.

2.3.1 What is covered

The cover applies to:

- the findings in our **resolution report**;
- any court judgment (or, in Scotland, a decree); or
- our claims investigation and report (if the **builder** is **insolvent**);

which confirm what the **builder** should have done to meet their responsibilities under the builder warranty, or what we will do if the **builder** is **insolvent**.

2.3.2 What is not covered

In addition to the general exclusions (see page 18), section 2.3 will not cover anything that is not due to the **builder** failing to meet their responsibilities under the builder warranty, and is not included in:

- the findings in our **resolution report**;
- a court judgment (or, in Scotland, a decree); or
- our claims investigation and report (if the **builder** is **insolvent**).

2.3.3 What we will do and pay for

We will decide to either:

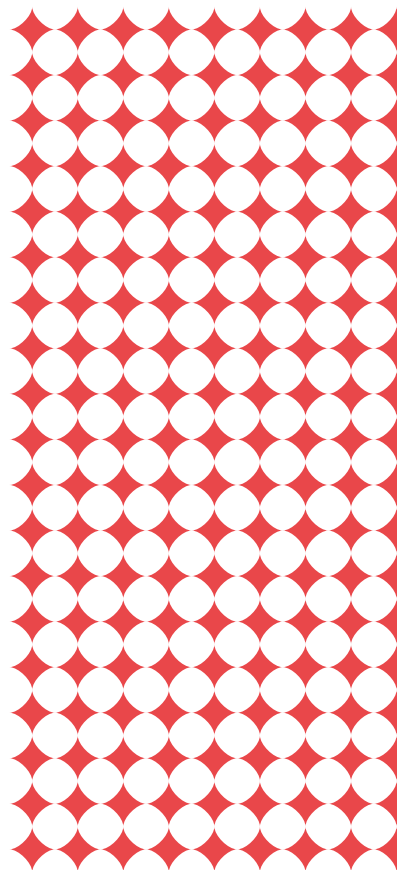
- pay you (or your **managing agent**) what it would cost us to have the work done; or
- carry out the work ourselves.

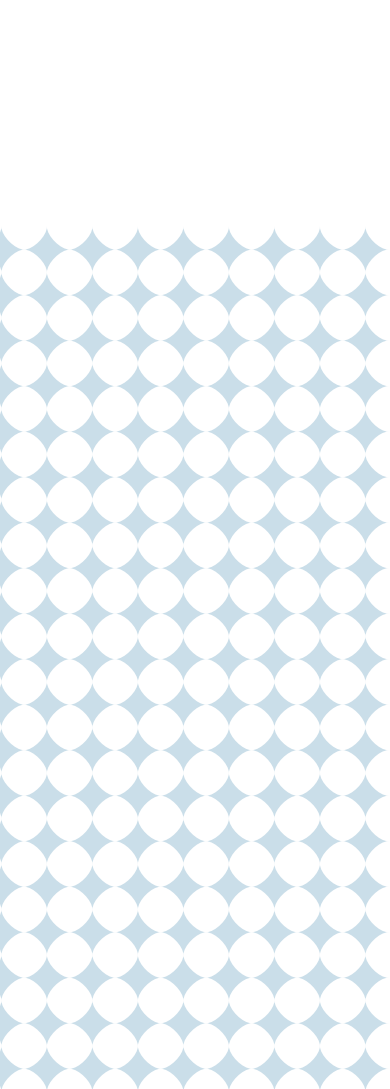
2.3.4 When you can claim

You can claim up to three years after the end date shown in the **policy schedule** for section 2.3, as long as you told the **builder** about the problem within the **builder warranty period**.

2.3.5 Who to contact

Contact us. Our contact details are on page 7.





Section 3 – Damage caused by a defect, and contaminated land

3.1 Damage caused by a defect

Section 3.1 provides cover for **damage** as a result of a **defect** in certain parts of your **home**, as long as the **minimum claim value** (see clause 3.1.4) is met.

3.1.1 What is covered

Damage to your **home** resulting from a **defect** caused by the **builder** failing to meet the **NHBC requirements** when building the following parts of your **home**.

- Foundations beneath and supporting the main building you live in, and foundations beneath and supporting any garage included in the **contract**
- External cladding, curtain walling, external render, external vertical tiles, roofs, ceilings, balconies
- Load-bearing parts (parts of the structure that support the weight of higher floors, roofs or structures, and are essential to the structural stability or strength of the **home**), including walls and the structural parts of the floors (not including floor coverings such as floor tiles and their fixings such as grout and adhesive), that are in the **home**
- Flues, chimneys and the main access steps, to the **home**
- Staircases, floor decking (for example, floorboards) and screeds (for example, a cement-based top layer applied to the structural floor), inside the **home**
- Double-glazing or triple-glazing panes in outside windows and outside doors of the **home** (for newly converted **homes**, only if the panes were newly installed in the **conversion** and were not in the original structure)
- Underground drainage which serves the **home**, if you are legally responsible for it

3.1.2 What is not covered

In addition to the general exclusions (see page 18), section 3.1 will not cover the following.

- Claims that could have been covered under any other section of the **policy**, including under the builder warranty (see section 2 on page 22)
- Claims where the amount it would cost us to repair the **damage** and **defect** is less than the **minimum claim value** shown in your **policy schedule**
- **Damage** to the roof covering (including any underlays, fixings, mortar, and weatherproofing details), unless there is a **defect** causing water to get into your **home**

- Cracking, spalling (chips, fragments or flakes of masonry coming off the **home**), or mortar erosion that does not weaken the structural stability of your **home** or mean that it is no longer weather tight
- Water entering, or dampness or condensation in, an underground garage or basement not designated as living space at the time the **home** was built or converted, if its structural stability is not affected
- The transmission of sound into, within or from your **home**
- **Damage** which only affects floor coverings (such as tiling, laminate and wooden flooring), including any fixing material such as adhesive or grout
- Changes in the colour or texture of, or staining to, finishes
- Replacing solar roof tiles or panels just because they do not produce enough heat or electricity
- Any amount over your share of the cost of repairing the **damage** and **defect**

For newly converted **homes** only, section 3.1 also will not cover:

- damage resulting from work carried out before your **home** was converted by the **builder**; or
- any items that local planning or listed-building restrictions apply to.

3.1.3 What we will do and pay for

We will decide to either:

- pay you what it would cost us to put right the **defect** and **damage** to the **home** (or your share of the work needed to the **continuous structure** to put right the **defect** and **damage**); or
- have the work done to meet the **NHBC requirements**.

We will also pay the reasonable and necessary costs of demolition or dismantling, clearing the site and removing debris, and shoring up (propping up) the **home**.

The most we will pay is the limit shown in the **policy schedule** for **damage** caused by a **defect**.

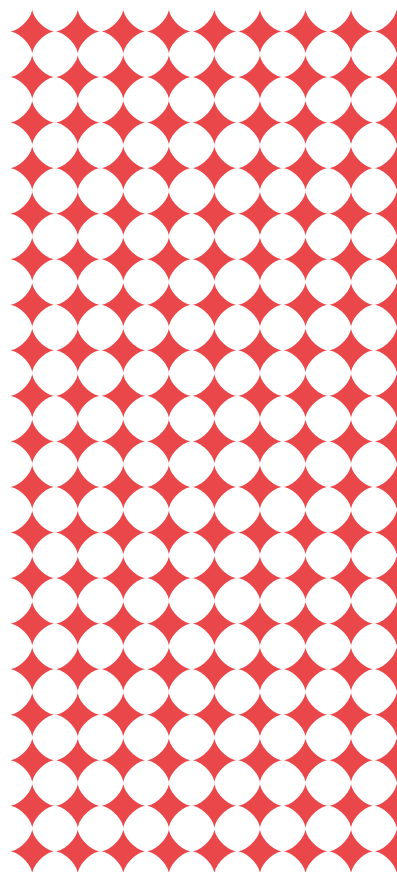
3.1.4 Minimum claim value

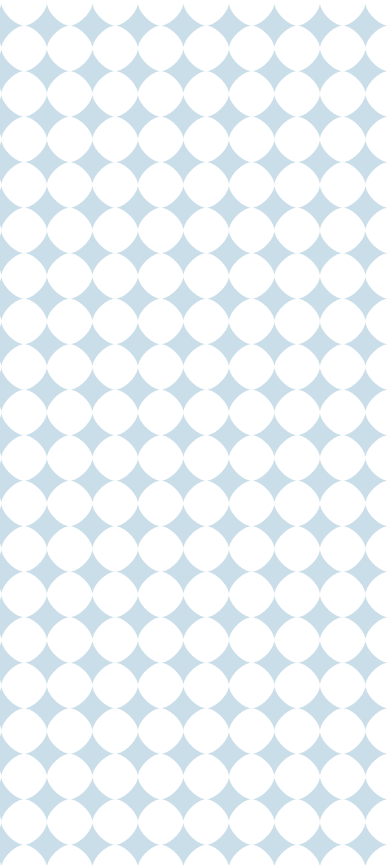
The **minimum claim value** is shown in your **policy schedule**. It applies to areas of **damage** and the **defect** causing that **damage**, as long as the **defect** is in one of the parts of your **home** listed in clause 3.1.1.

The table below provides examples of how the **minimum claim value** is applied.

Damage	Minimum claim value
One area of damage to your home , caused by one or more defects	One minimum claim value applies
Two areas of damage to your home , where one defect has caused both areas of damage	One minimum claim value applies
Two areas of damage to your home , where each area of damage is caused by a different defect	Two minimum claim values apply

If the cost to us of the repair is below the **minimum claim value**, the work will not be covered. However, if the cost to us of the repair is at least the **minimum claim value**, we will pay the reasonable costs (up to the relevant financial limit) or do the work. You will not have to pay anything towards the work.





For claims under section 3.1 involving **shared parts**, the **minimum claim value** applies to your share of the cost. We may decide to pay the claim, or have the work done to the **shared parts**, even if your share of the cost is less than the **minimum claim value**. We will do this if the total cost to us of the work we are responsible for under the **policy**, plus similar cover we provide for your neighbours, is more than 10 times the **minimum claim value**.

3.1.5 When you can claim

You can claim during the period of cover shown in the **policy schedule** for **damage** caused by a **defect**.

3.1.6 Who to contact

Contact us. Our contact details are on page 7.

3.2 Alternative accommodation or loss of rent

Cover is provided for the cost of alternative accommodation or lost rental income if work needs to be carried out to your **home** because of **damage** caused by a **defect** (see section 3.1).

3.2.1 What is covered

If work needs to be carried out to your **home** because of **damage** caused by a **defect** (see section 3.1), and anyone normally living in your **home** needs to move out so that the work can be done, we will cover the following.

- If you live in your **home**, we will cover the reasonable costs of appropriate alternative accommodation for those who permanently live in the **home** and temporary storage of furniture
- If your **home** is rented out to tenants, we will cover the rent that:
 - you can prove you should have received; and
 - you cannot claim from elsewhere.

3.2.2 What is not covered

In addition to the general exclusions (see page 18), section 3.2 will not cover any costs that we have not agreed to in advance.

3.2.3 What we will do and pay for

If you live in your **home**, we will pay for the reasonable and necessary costs of alternative accommodation, removing and storing your possessions, and reasonable related costs (for example, the cost of re-directing post and telecommunication connection), if this is necessary so that the work can be done. Reasonable costs of alternative accommodation will be based on local market rental rates that apply to comparable properties on the date that:

- you first report your claim to us; or
- we confirm that your claim is valid;

whichever rates are higher.

If your **home** is rented out to tenants, we will pay the rent that they would have paid you (and that you cannot claim from elsewhere) for any period when they have had to move out of the **home** for work to be completed.

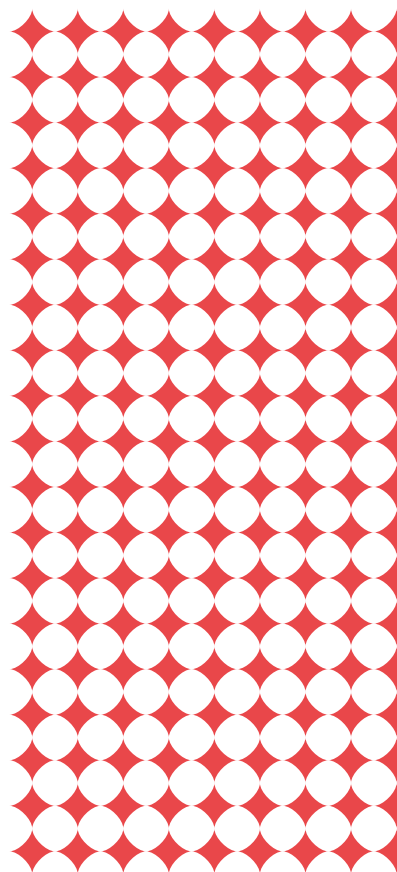
A maximum of 10% of the overall financial limit is available to pay the reasonable costs associated with alternative accommodation or lost rent.

3.2.4 When you can claim

You can claim during the period shown in the **policy schedule** for alternative accommodation or loss of rent.

3.2.5 Who to contact

Contact us. Our contact details are on page 7.





3.3 Contaminated land

Cover is provided for the cost of improving the condition of contaminated **land**.

3.3.1 What is covered

Work needed to improve the condition of the **land** if you receive a **statutory notice** for it, or if a **statutory notice** could be issued because of the condition of the **land**.

3.3.2 What is not covered

In addition to the general exclusions (see page 18), section 3.3 will not cover the following.

- Anything which is not on the **statutory notice** or could not cause a **statutory notice** to be issued
- Anything relating to non-native or invasive plants such as:
 - Japanese knotweed;
 - common ragwort;
 - spear thistle;
 - creeping or field thistle;
 - broad-leaved dock; and
 - curled dock.
- Contamination that happens after the **completion date**
- Any claim for something you can claim for, or could have claimed for, under section 2.1 or section 3.1.

3.3.3 What we will do and pay for

We will have the work carried out to treat, isolate or remove contamination from the **land**:

- in line with the **statutory notice** you have received; or
- to prevent a **statutory notice** from being issued due to the condition of your **land**.

Alternatively, if we choose to, we will pay you or your **managing agent** what it would cost us to have the work done.

The most we will pay is the limit shown in the **policy schedule** for contaminated land.

3.3.4 When you can claim

You can claim during the period shown in the **policy schedule** for contaminated land.

3.3.5 Who to contact

Contact us. Our contact details are on page 7.

General conditions

The following conditions apply to the **policy**.

Reporting to us

As soon as you become aware of something that you want to make a claim for, or that is likely to give rise to a claim, you must:

- give us details of the matter;
- take all reasonable steps to prevent further loss; and
- make sure you have reported the **defect** to the **builder** as soon as reasonably possible (if the claim is under section 2 of the **policy**).

If we or the **builder** ask you to, you must do the following.

- a) Give us (or anyone acting for us) or the **builder** access to your **home** and the **land**, at all reasonable times, to carry out investigations and work
- b) Take all reasonable steps to get authorised access to neighbouring land, and any other permission needed to allow investigations and work
- c) Provide any information and help that we reasonably need to deal with your claim. This information may include:
 - photographs of the problem;
 - a report about the problem, confirming its cause (for example, for a blocked drain, we may ask you to get a report from an independent drainage specialist or for a problem with a gas flue, we may ask you to get a report from an independent registered heating engineer or a fire consultant);
 - a report from a specialist expert;
 - maintenance records; or
 - evidence of rental income.

If we decide to accept your claim, we will refund your reasonable expenses of providing any report we asked you for (as long as you provide proof of the expenses).

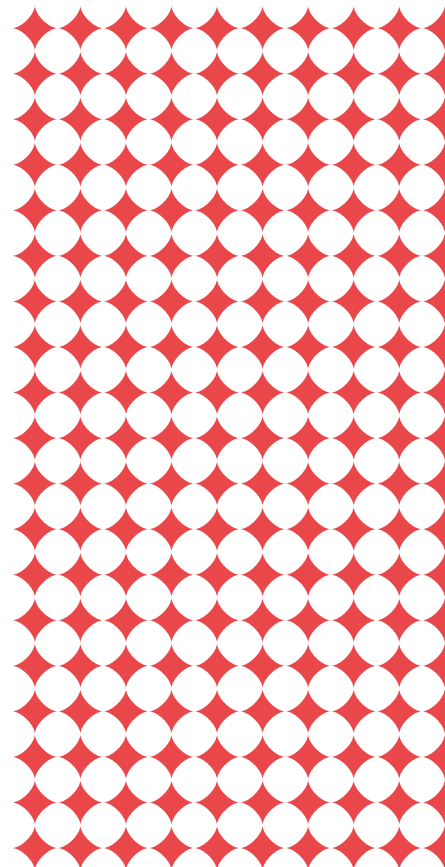
If you have difficulty doing any of the things listed at a) to c) above, contact us and we will try to help. Never do anything that might put you or someone else in danger.

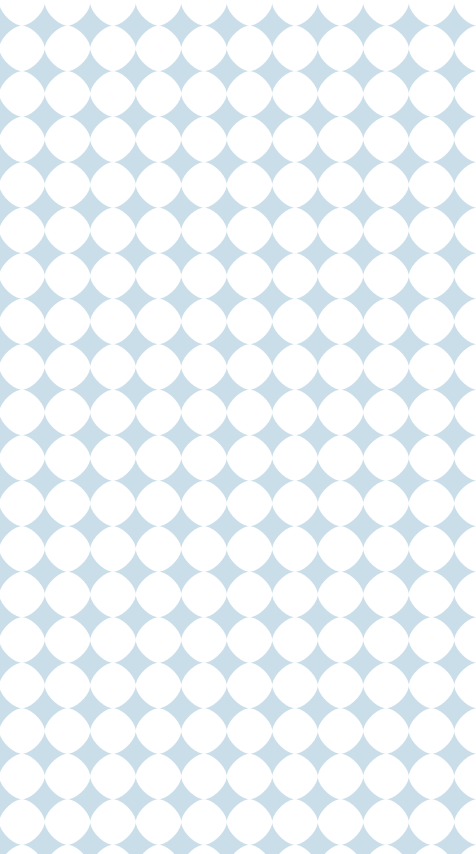
Matters involving shared parts

Other than as set out below, all the same conditions and exclusions set out in this policy booklet also apply to matters involving **shared parts**.

If we accept a claim involving **shared parts**, unless we agree otherwise, we will pay your **managing agent** the cost to us of completing the repairs, up to the relevant financial limit. We would expect you to co-operate with us, the freeholder and the **managing agent** in all matters relating to the claim. We may need signed authorisation from you and those who share the **shared parts** before we can offer our **resolution service** or settle a claim.

For matters involving **shared parts**, the **builder warranty period** is three years and does not start until we issue a **warranty release confirmation** for the first home that shares those parts, or the **completion date** for the first home that shares those parts, whichever is later.





Our liability for all claims relating to **shared parts** will be no more than:

- the financial limit shown in your **policy schedule**; or
- the portion of the total cost of all the work that we decide is reasonable to attribute to your **home**;

whichever is less.

If a claim relating to any **shared parts** is made by the owner of another home that is covered by an NHBC policy and shares those parts, we may ask you to also make a claim for those **shared parts**, or we may proceed as if you had made a claim. We may then deduct your share of the claim value from the relevant financial limit for the **policy** for your **home**.

For claims under section 3.1 involving **shared parts**, the **minimum claim value** applies to your share of the cost. We may decide to pay the claim, or have the work done to the **shared parts**, even if your share of the cost is less than the **minimum claim value**. We will do this if the total cost to us of the work we are responsible for under the **policy**, plus similar cover we provide for your neighbours, is more than 10 times the **minimum claim value**.

How we calculate what we have to pay

If we pay a claim under the **policy**, we will calculate the amount we will pay based on the amount it will cost us to have the work done. However, we will not:

- pay more than a reasonable amount;
- pay to replace an undamaged item simply because it does not match a replacement item; or
- be responsible for costs resulting from your unreasonable delay in making a claim or you failing to meet any of the requirements of the **policy**.

Recoveries from third parties

Whether or not a payment has been made under the **policy**, we will be entitled to take action, on your behalf, to recover losses from a third party responsible for them. We have the right to take this action in your name and you must give us any reasonable help and support we need. If we recover more than the total of the claim amount we paid plus our recovery costs, we will pay the excess to you.

Withheld amounts

If you withhold any amount from the **builder** under the terms of a **contract** or for any other reason, you must let us know. We will deduct that amount from any claim. We may refuse to offer our **resolution service** or accept any claim until any dispute between you and the **builder** over any withheld amount has been settled.

Our liability

Our liability is limited to the insurance provided by the **policy**, as altered by any **endorsement** shown in your **policy schedule**.

Any site inspections or risk-control procedures we follow are just for our benefit and do not confirm or imply that the **home** is (or will be) free of **defects** or **damage**.

Financial crime and fraud

We will not provide any cover, pay out any claim or provide any benefit if this would mean that we might break a law, regulation or other duty that applies to us, or put us at risk of legal or regulatory action.

If you make a fraudulent claim under the **policy**, we:

- are not liable for the claim;
- may recover from you any amount that we have spent, we owe to any party or we have paid to you in connection with the claim; and
- end the **policy** from the time of the fraudulent claim.

If we exercise our right to end the **policy** because of a fraudulent claim, the following will apply.

- We will not be liable to you for any 'relevant event' that arises after the fraudulent claim is made (a relevant event is whatever gives rise to our liability under the **policy**).
- We will not refund any premiums.

Accessibility

Please let us know if you need support in dealing with us (such as in how we manage your claim or communicate with you) or if there are any reasonable steps we can take to meet your needs.

You can find out more by sending an email to accessibility@nhbc.co.uk or phoning us on 01908 746121.

Unacceptable behaviour

We will not tolerate any verbal or physical behaviour which causes our staff and suppliers to feel uncomfortable or threatened. This zero-tolerance approach includes all types of communication, and we will be under no obligation to provide any of the services or cover described in this booklet.

When the policy ends

The **policy** will automatically end:

- if the **home** is destroyed by a cause other than one that is covered by the **policy**;
- when we have paid our maximum liability; or
- at the end of the period shown on the **policy schedule**.

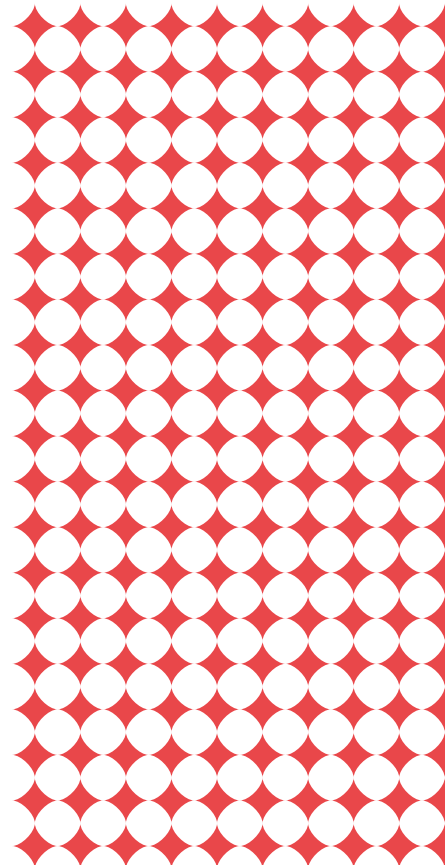
Governing law and jurisdiction

The **policy** (and any dispute in connection with it) will be governed by and interpreted in line with the laws of England and Wales. If the law does not allow this, then the laws of where the **home** is will apply.

Except where the **policy** says otherwise, any legal action in connection with the **policy** will be dealt with only in the courts of England and Wales.

Rights and remedies

Your rights under the **policy** are in addition to, and do not replace or prevent you from using, other legal rights that you may have against the **builder** or anyone else in connection with your **home** (for example, rights you have under a contract with them or by law).





Complaints procedure and the Financial Ombudsman Service

We pride ourselves on the service we provide and we hope that you do not have a reason to complain.

If you are not satisfied with our service, or a decision we have made, please contact us. We will explain how we will deal with your complaint and give you written details of our complaints procedure. This will include information about the types of complaints you can refer to the Financial Ombudsman Service if you are not satisfied with our final response to your complaint.

Email: consumeraffairs@nhbc.co.uk

For information about the Financial Ombudsman Service:

Call: **0800 023 4567**

Visit: financial-ombudsman.org.uk

Write to: **Financial Ombudsman Service, Exchange Tower, London, E14 9SR**

You can find more information on what to do if you have a complaint on our website nhbc.co.uk/complaints or you can call us.

Our contact details are on page 7.

Feedback

We are committed to providing a quality service and maintaining good outcomes for our customers. If you have any questions or feedback about the **policy** or how it works, please email consumeraffairs@nhbc.co.uk

Regulatory information

Information about us and our regulators

We, National House-Building Council (NHBC), are an insurance company authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our firm reference number is 202261. The Financial Conduct Authority keeps a register of all regulated firms, so you can check that we are registered with them.

NHBC is registered in England and Wales under company number 00320784. NHBC's registered address is NHBC House, Davy Avenue, Knowlhill, Milton Keynes, Buckinghamshire, MK5 8FP.

All parts of our products and services are within the scope of UK financial services regulations, except for the cover under section 2.1, which is only within the scope of the regulations if:

- a **resolution report** tells the **builder** to do something by a deadline; and
- the **builder** fails to complete the work by the deadline or becomes **insolvent**.

For more information on our products and services, please see our website at nhbc.co.uk.

For more information about the Prudential Regulation Authority:

Call: **0203 461 4878**

Visit: **bankofengland.co.uk/pru**

Write to: **Bank of England, Threadneedle Street, London, EC2R 8AH**

For more information about the Financial Conduct Authority:

Call: **0800 111 6768**

Visit: **register.fca.org.uk**

Write to: **Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN**

The Financial Services Compensation Scheme

We are a member of the Financial Services Compensation Scheme. You may be entitled to compensation from this scheme in the unlikely event that we cannot meet our obligations.

For more information about the Financial Services Compensation Scheme:

Call: **0800 678 1100**

Visit: **fscs.org.uk**

Write to: **Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU**

How we protect your privacy

We will keep personal information about you confidential. However, there are certain circumstances when we may need to pass on information about you. We may:

- give your personal information (such as your name and address) to the **builder**, or a contractor, if this is necessary to help them deal with matters under the **resolution service** or a claim;
- be required by law to give your personal information to another person (for example, if a court or government body says that we must); or
- tell a **subsequent owner** and your neighbours about matters raised under the **resolution service**, or any claims you have made, if they affect what the **subsequent owner** and your neighbours can claim.

For more information about how we use your personal information, go to **nhbc.co.uk/privacy**.



Email for general enquiries:
ccsupport@nhbc.co.uk

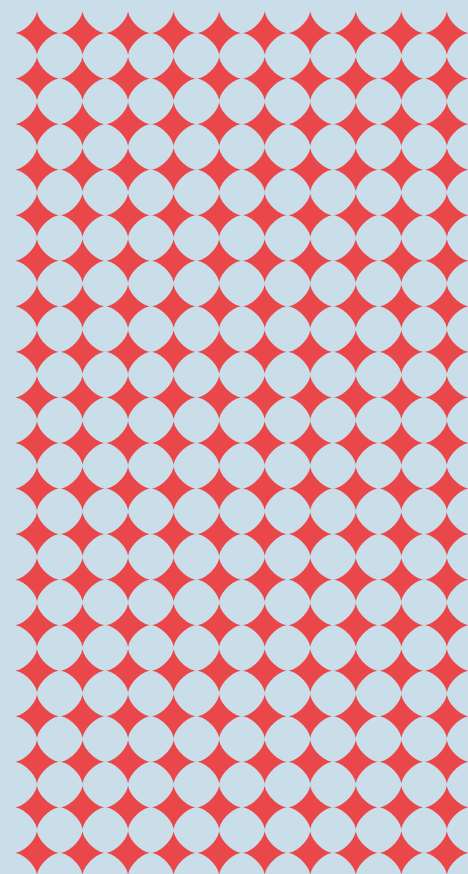
Email for complaints about NHBC:
consumeraffairs@nhbc.co.uk

Accessibility

Please call us if you would like to receive this information in an alternative format, such as large print, audio or Braille. You can also get further information by scanning the QR code below.

Calls may be monitored or recorded for training purposes.

Calls to 0800 numbers are free from landlines and calls from mobiles may cost considerably more. You may want to check this with your service provider.



NHBC, NHBC House, Davy Avenue, Knowlhill, Milton Keynes, Bucks MK5 8FP
Phone: **0344 633 1000** Website: nhbc.co.uk

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

NHBC is registered in England and Wales under company number 00320784. NHBC's registered address is NHBC House, Davy Avenue, Knowlhill, Milton Keynes, Buckinghamshire, MK5 8FP. Note that only certain parts of our products and services are within the scope of UK financial services regulations. For more information on our products and services, please see our website nhbc.co.uk or your NHBC product documentation.