

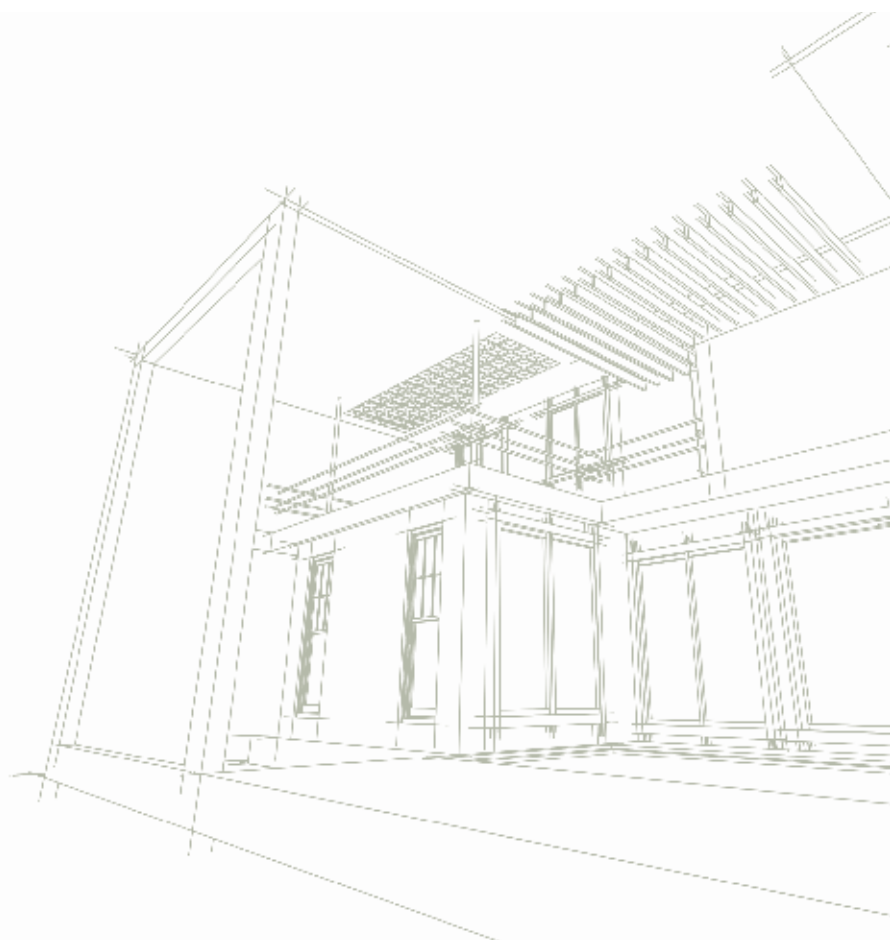
The SelfBuild Insurance guide to a stress-free self-build





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Welcome

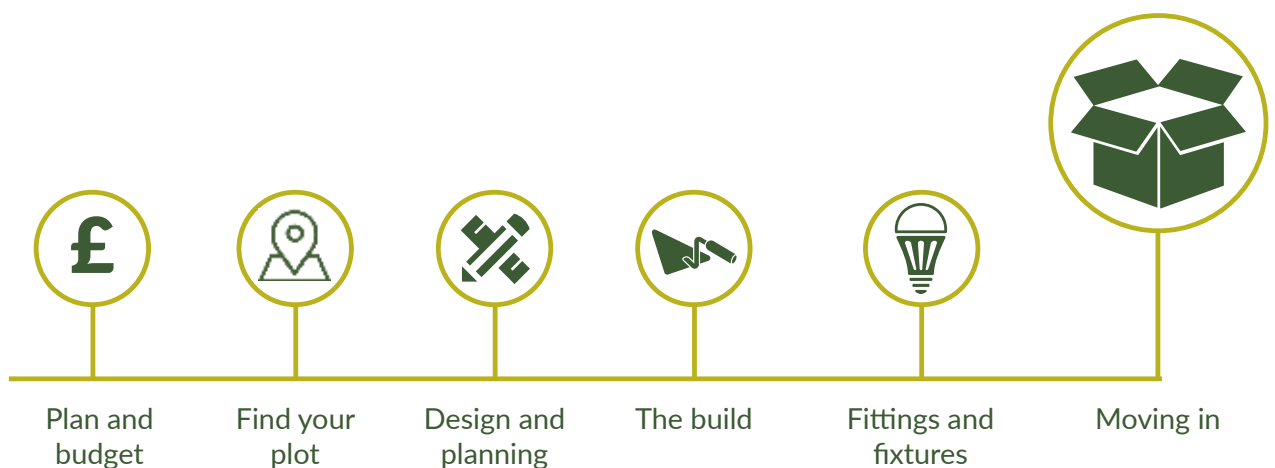
The SelfBuild Insurance guide to a stress-free self-build

We know that “stress-free” is a lofty aim, but we passionately believe that with planning, realistic expectations, and appropriate measures in place, a lot of stress can be removed from what is likely to be a lifetime’s achievement. Because every self-build project is unique it might seem as though there are risks hiding behind every tree and under every manhole cover.

One way to understand the risks involved in a self-build is to break it down into individual pieces. Each piece – or stage in the journey – has its own inherent risks. Some risks will cover multiple stages and some will be isolated to one.

There are even risks that may not even apply to you depending on your situation or self-build plans. By breaking down the journey, the risks become more visible, less ominous and far easier to manage.

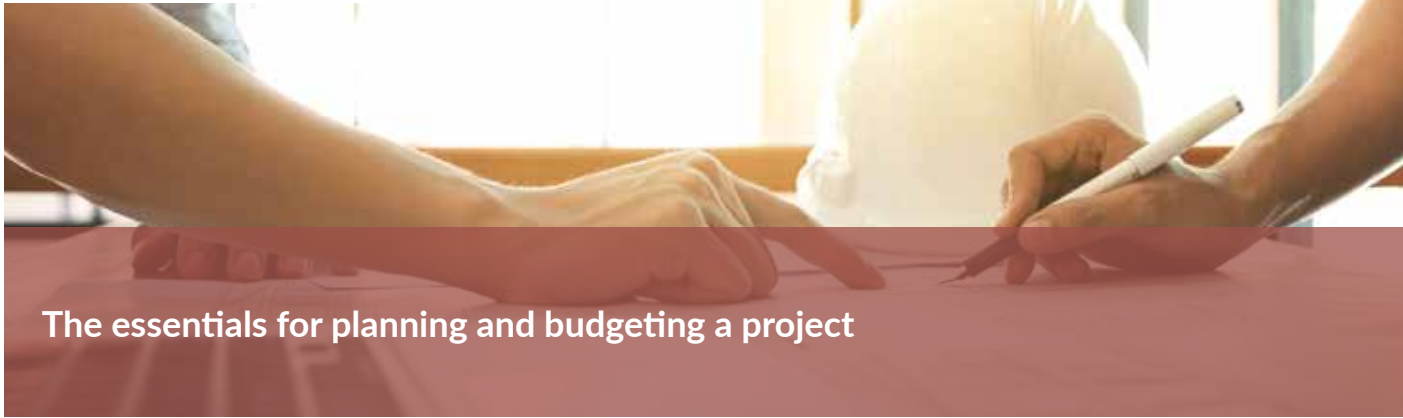
By spending a few minutes reading this guide we’re sure we can help you plan some of the future. You’ll also learn how to master the risks in your project – not by avoiding them but with awareness and planning. Throughout this guide we will take each stage and map out the risks you could potentially face, along with the means and the insurance to tackle them.



Self-build projects are rarely a straight line from A to B, and no two projects are the same. Be prepared for some surprises when it comes to the scheduling.



Plan and budget



The essentials for planning and budgeting a project

After the dream, deciding what you want to build and where are the start of the journey. A big part of making those decisions a reality is setting a budget. Formulating a budget and a plan are critical. Your budget needs to include numerous factors, including:

- ✓ Appliances
- ✓ Architect
- ✓ Borrowing costs
- ✓ Clearance and demolition
- ✓ Contractors
- ✓ Furnishings
- ✓ Insurance
- ✓ Kitchen and bathrooms
- ✓ Land / plot
- ✓ Landscaping
- ✓ Legal and professional fees
- ✓ Materials
- ✓ Paving
- ✓ Planning fees
- ✓ Plant hire/purchase
- ✓ Project management
- ✓ Security
- ✓ Services (gas, electricity, broadband etc.)
- ✓ Storage
- ✓ Surveys
- ✓ Temporary accommodation
- ✓ Waste disposal

What are my costs?

- Good practice includes a contingency of at least 10%
- Take into account the potential impact of delays
- If you need to raise funds, consider approaching lenders before looking for a plot, as this can put you in a stronger position

What cover could I need?

- If you're working with a mortgage lender to secure funding, they may require a Structural Warranty be in place at the start of, or before completion of, the build
- Speak to your mortgage lender to find out their requirements
- A Structural Warranty is worth considering, even if you don't have a mortgage



Sourcing additional funds at short-notice can prove costly, and may delay your project. Detailed cost planning and regular management and monitoring can shorten your project as a result.



Plan and budget

The essentials for planning and budgeting a project (continued)

Your self-build project budget will be your best friend and closest ally, and links closely to your plan. Putting £ signs next to dream designs and materials can make your ideal home seem a little further away. However, by putting together a realistic budget, you'll be one step to getting your self-build completed.

What are the risks for my budget?

One of the biggest risks of setting your self-build budget is underestimating, sometimes as the result of optimism. The cost of materials or products you want to purchase should be researched. The resources at your disposal, such as your time, need to be realistic, particularly if you plan on playing an active part in the project. The duration of the project as a

whole should take into account likely delays. If you plan prudently you can avoid extra expense, a longer build and compromises.

Compromise is something that you may have to accept early on in your self-build journey, but there are ways to keep under estimations and the resulting compromises to a minimum.

Solution: The rule of 3

One of the easiest ways to map out your self-build budget is to use the rule of 3. First, there are 3 main areas to consider in your budget: areas of expense, forms of finance and material/item priorities. Each of these areas can then be split into 3 again, as shown below. Once you break it down, it's easier to build a practical, risk-averse budget.

1

Areas of expense

Cost of land

Cost of build

Additional costs
(fees, warranties,
insurance etc.)

2

Forms of finance

Borrowed (loans etc.)

Existing property /
equity

Savings /
liquid assets

3

Material/item priorities

Must haves
(high priority)

Should haves
(medium)

Would haves
(low)



When you're budgeting, be sure to factor in insurance costs. This may seem like just an additional expense, but in most cases, it's a relatively small cost that could potentially save a lot.



Find your plot



Selecting your site is a key part of the journey

The plan and budget are in place, so now you need to figure out exactly where you're going to build. Space is limited in the UK for self-building, but more and more sites are being made available all the time through government schemes and local councils. Here are some ideas of where to look for your plot:

- ✓ Online research
- ✓ Estate/land agent
- ✓ Explore and ask the locals
- ✓ Visit housing auctions

Site type dictionary

Greenfield: Land that's not been built on before.

Brownfield: Previously developed land, reasonably priced.

Buy to demolish: Knock down an existing property on the land.

Development boundaries: Planning policy schemes based around existing settlements.

Right to build: Locally maintained registers of land available for self-build activities.

What are my costs?

- The plot itself is most likely to be the single biggest purchase you'll make during the project
- The plot could total 50% of your new house's finished value, but on average accounts for 30-40%

What cover could I need?

- Land Liability includes Public Liability - should people be injured or killed on your site - whether they have permission to be there or not
- Ensure anything you buy in advance of starting is covered under an insurance policy



Once you own land, you have potential legal and financial risks/exposure. You should consider land insurance, until such time as you begin the process of applying for planning permission for the plot, including getting plans drawn up.



Choosing your plot



Setting the literal and figurative foundations for your self-build project

The site of your build will most likely be the largest single purchase you make throughout the project, so due consideration is required. There are a number of natural and civil considerations that when addressed can help ensure a strong start to your self-build:

Site permissions

Different plots have different levels of flexibility for what the self-builder can build. Site permissions are normally outline (general requirements with specifics being decided later) or full (detailed specifications of what you are allowed to build). Check the permissions to ensure that what you're building is allowed.

Permission conditions

Site permissions can also have additional conditions that need to be met. This can range from approval of external building materials to the number of stories your build can have. All these conditions should be clearly outlined in the decision notice for your site permission.

Services

Choosing a plot is as much about future living conditions as it is about building conditions. Do you have clear access to utilities like water and electricity? If not, why not contact service providers to see if future access is a possibility.

Time limitations

From the moment that planning permission is granted, there can be a time limit on how long you have to build your home. This is commonly 3 years for full site permissions but longer for outline site permissions. Just remember to keep a close eye on those deadlines to make sure they don't lapse.

Respect the neighbours

Privacy, light, noise, access and outlook are all impacts of your self-build that could affect anyone living nearby – and no one wants a fight with the neighbours! Disputes with new neighbours can slow down the project so always look for a compromise with them without compromising your project.



Unless you're going off-grid, connecting services such as gas, water, broadband, electricity and sewerage to a remote site can be very costly, and may cross others' land. Be mindful of access rights, to prevent encountering a "ransom strip".



Choosing your plot



Setting the literal and figurative foundations for your self-build project

Ground conditions

What's your potential plot sitting on? The ground conditions will play a big role in your foundation costs. Previous use of the area can also factor into its potential instability, so maybe do some homework to check what used to be on, or under, the land.

Flooding

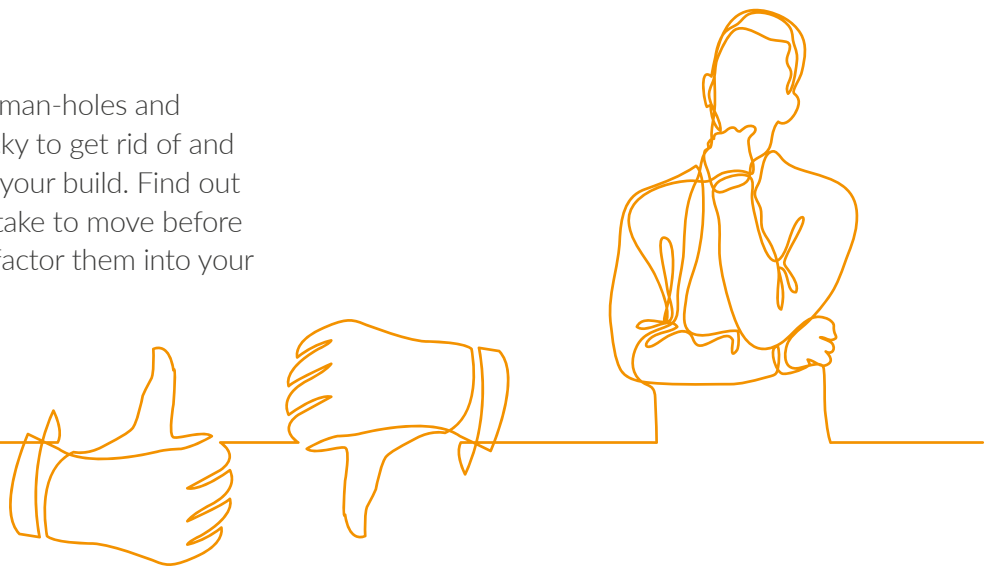
Your self-build's potential for flooding isn't only going to influence premiums when it comes to insuring the finished property. It's also going to add considerable risks to the build itself. Key indicators like low-lying land and close proximity to bodies of water (rivers, coastline etc.) can be reliable early warning signs of flood risk.

Obstacles

Pre-existing obstacles like man-holes and telegraph poles can be tricky to get rid of and can quickly add time onto your build. Find out how long obstacles could take to move before you commit, and you can factor them into your budget and your timeline.

Securing funding

The plot you choose will depend on your budget. Knowing how much of your finances are allowed for the site is an absolute must. If you're working with a bank to organise funding of your project – via a mortgage – they may require a Structural Warranty, either before work starts or before completion. Finding out this kind of information out early on means you can easily avoid any unnecessary hiccups.



Your choice of site could have significant insurance and re-sale value implications, particularly near flood areas, or areas that are geologically unstable, such as close to cliffs or on former mining areas.



Design and planning permission



Gaining planning permission is essential for success

If your site doesn't already come with planning permission, you'll need to secure it in order to develop on your site

Before you purchase a plot, make sure you know if planning permission can be obtained. No planning permission = no build.

Planning permission should take between 8-16 weeks, from submitting your application to getting a decision.

Permission type	What is it?	Requirements?
OUTLINE	General approval to develop on the land in question	Site plan showing the curtilage of the plot
DETAILED	Approval for a specific property based on design	Detailed design plan including external materials and sitting
FULL	Outline + Detailed	See above

What are my costs?

- £385 for a new single dwelling application in England
- The equivalent fee in Wales is £350, in Scotland £401 and in Northern Ireland it is £425
- Working with professionals on the design of the house e.g. architects

What cover could I need?

- Site Liability includes Public Liability and Employers' Liability Insurance
- Applicable as soon as you start the process of applying for planning permission for the site
- Covers you up to the point at which construction, demolition, or site clearance work starts



Obtaining planning permission may be more straightforward if you develop a relationship with local property owners/neighbours, addressing their concerns before plans are submitted.



Site Liability insurance

Protect yourself against the unexpected

This could very well be the first self-build insurance product you look for on your self-build journey. Self-build policies can be very different to personal insurance like Home or Car cover, but they're still designed to protect your interests. Have a look at our Q&A below to see what you can expect.

When are you covered?

Site Liability insurance is designed to provide cover from the point at which you own a plot of land and you have started the process of applying for planning permission, up to the point immediately before the build work starts, including but not limited to, site clearance, demolition or construction.

What's covered?

The core cover usually includes:

PUBLIC LIABILITY	Your liabilities should someone be killed or injured while on your self-build site – whether they have your permission to be there or not
EMPLOYERS' LIABILITY	Your liabilities should someone you employ be killed or injured while working on your site

What is the risk?

When owning a plot of land, whether or not you plan to build on it, there is the potential that you could be liable for a claim against you if someone is injured or killed while on your land. This includes people who are on your self-build site without your knowledge or permission.

Is it a legal requirement?

You're only required by law to insure your self-build site or project if work has started and you're directly employing people, in which case you must have Employers' Liability.

How much should I insure my site for?

Site Liability insurance policies typically have set levels of cover for Public Liability and Employers' Liability built in.



Insuring land and insuring a self-build plot are not the same thing. Specialist land insurance is designed to cover land where, amongst other things, it cannot be demonstrated that there is an intent to use land for self-build.



Keeping your site secure



For peace of mind, secure your site properly

In order to insure your site prior to building, you will need to meet certain criteria so that your insurer is confident that your site is secure. Even if you haven't considered Site Liability insurance yet but you're looking at site security, these suggestions can be a great starting point.

Perimeter

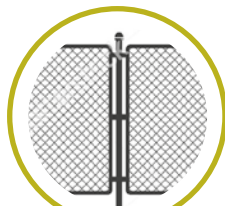
It's not always clear to the general public when a plot of land is private property. As a result, there's always a chance that people will trespass on your land without realising it. Having fencing in place around the perimeter of your plot is an ideal way of telling people your land is off limits, as well as being a good security measure. Your fencing, wall or other barrier should be tall enough to discourage people from climbing over it.

Access

With perimeter security in place, your plot is likely to have one or more key points of access. Make sure these points have gates in place that can be closed, locked and secured when the site isn't in use.

Site insurance

Even with the right precautions in place, incidents can still happen on your site. But having the right site insurance in place can help protect you from losses if you need to make a claim. Not to mention a little extra peace of mind.



Perimeter



Access



Site insurance



Claims against you as a landowner could result from welcome or unwelcome access to your property. Perimeter fencing and signage could reduce the chance of this happening.



The build



Finally, you're ready to get to work and start building your new home

The duration of the construction phase is determined by numerous factors, some beyond your control. It's important to stay on top of your schedule: ensure time is allocated appropriately and delays or extensions are factored in. Otherwise, your build could take a lot longer than you budgeted for!

Not only does the build phase generally work out as the most expensive part of the project, it's also when your site is most at risk.

Once you start building your new home, it will develop value, and there's no end to the materials, plant, tool and other valuables that could be on site. These can attract vandals, thieves and trespassers, so it's important to consider security.

What are my costs?

- Contractors and Project Manager
- Materials
- Plant hire/purchase
- Alternative accommodation
- Storage

What cover could I need?

- SelfBuild insurance covers include Site Liability, Public Liability and Employers' Liability insurance
- Consider cover for the part-built structure, owned and hired plant, materials, and employees



If you employ a contractor for the build, their insurance may not cover the increasing value of your part-built structure, nor any equipment or materials that you purchase. You should check.



Planning the build



Time to get building

The build is likely to be the longest stage of your self-build project, and the biggest part of your budget. Having a watertight plan in place for the build is the first step in ensuring you run to schedule and finish on time to a good quality.

Break down your build

The best way to get a firm grip on the build is to break it down into its component stages.

✓ Clearance and demolition	✓ Excavation and services	✓ Build to wall plate	✓ Second fix
✓ Groundworks	✓ Foundations	✓ Watertight	✓ Fit out
		✓ First fix	✓ Decoration

Now your build is a series of smaller, manageable stages, and you can start planning how much time, money and resources you allocate to each.

Make a timetable

Having your build schedule written out can make planning much easier. Not only will it help you get started, but it becomes a reliable reference point for you and any other people working on the project.

Understand your lead times

A good understanding of lead times will play a big part in getting the build finished on time. Whether it's suppliers, delivery of materials or even reviews from the planning control officer, not everything will be available right away. Check in advance what the lead times are likely to be so you can factor them into your timetable.

Communicate with your suppliers/contractors

Communication can make or break a self-build project. Keeping regular and clear contact with your suppliers and contractors is the best way to ensure that everyone is aware of what's expected and what's deliverable.

Be aware of the weather

You can't be expected to predict what the weather will be like for your entire build. However, it's important to stay on top of upcoming weather changes that could halt or delay the build. Think about measures you might need to protect and secure the build should adverse weather occur.



Evaluate the impact that project delays would have on you financially, and consider an insurance policy that allows cover to be extended.



Hiring professionals



What you need to know

Whether or not you've worked with contractors before on maintenance, renovation or extension jobs, a self-build project can be a little bit different. With that in mind, you can start by considering whether the contractors you employ are a good fit for the job. Have a look at the questions below as a guide:

- ① **Have you researched if they have any professional affiliations/references?**
- ② **Are they licensed and insured?**
- ③ **Have you asked them for evidence of their previous jobs?**
- ④ **Have they worked on a self-build project before?**
- ⑤ **Are they financially secure enough to continue for the length of the build?**
- ⑥ **Have you received quotes, contracts and payment terms etc. in writing?**



While it's important you have the right insurance in place to protect your self-build project, it's just as important to ensure anyone you hire has their own cover in place as well.



Keeping your build secure



Your site should have a decent level of security before your build starts



Perimeter security, access control and the security of plant, tools, materials and possessions all require a common sense approach, or you may not be covered.

Once building commences, the plot will start filling up with materials, equipment and machinery. This is when you can start considering additional security measures that may be required to reduce risks for your self-build project.

Reinforcing your fencing

If you have already installed fencing to keep your site secure, you may want to consider if it's suitable for the build. Does it prevent or deter unauthorised access? Is it easily scalable? Ask these questions and you'll have an idea of whether your fencing is up to the task.

Owned and hired plant

When the plant on your site is not in use, the keys should be removed from the ignition and stored securely off site. If you've sourced storage containers, the plant can also be stored in them overnight as an additional measure.

Personal possessions

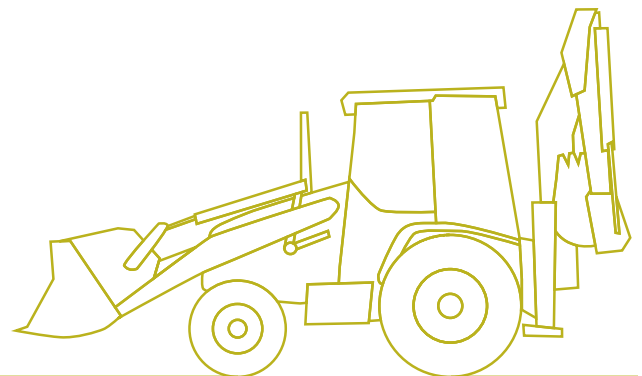
While your build goes on you may have some personal possessions on site. You may also be living on site, in a static home for example. Any mobile living quarters should be properly locked overnight so that any possessions inside are secure. If there are personal possessions on site they should also be stored away accordingly.

Materials

Even with a fenced perimeter and locked access, it's not advisable to leave materials on site without additional security. Consider hiring some shipping containers or a similar storage solution. If it's metal, lockable and big enough to store your tools and materials, it should do the job.

Equipment/tools

Throughout the working hours on your site, tools and equipment will be picked up and dropped off as needed. When it gets to the end of the day consider taking time to account for all equipment and ensuring it's properly stored overnight, so they can be easily located the next working day.



Certain high value materials, such as metal for roof construction must be used immediately, or stored securely in robust, lockable containers. You may also have liabilities for hired-in plant.



Self-Build insurance



Protecting your self-build should the worst happen

Why is it important to insure your build?

Self-Build insurance is designed to cover the period from the point at which the build phase starts, until build is complete. The main covers that are available with most Self-Build insurance products are:

Public Liability	Your liabilities should someone be killed or injured while on your self-build site
Employers' Liability	Your liabilities should someone you employ be killed or injured while working on your site
Contract Works	The cost of replacing or repairing the structure that is being built
Contractors All Risks	An alternative name for Contract Works
Tools	The cost of replacing stolen portable tools that are owned by you and your employees
Personal Belongings	The cost of replacing your belongings stored on site whilst you complete your build
Personal Accident	A sum of money should you suffer a permanent disability, such as the loss of limb, or death while on site
Legal Expenses	Legal costs arising from contractual disputes between you and your contractor, utility companies, or the removal of squatters from site during the course of the build
Buildings	The cost of repairing or replacing the finished property
Contents	The cost of replacing contents within the finished property
Materials	The cost of replacing materials you own that are stolen from your site
Hired-in Plant	The cost of replacing and repairing Plant that you have hired, including hire charges that you may be liable for
Owned Plant	The cost of repairing or replacing Plant that you own, and that is stolen or damaged
Temporary Buildings	The cost of repairing or replacing temporary buildings, such as portakabins, that are damaged while on site



Look for a policy that allows you to insure your project in one policy, with limits high enough for your needs, and with excesses that match your attitude to risk.



The future



How plans for your property affect your risks/insurance needs

It may seem early in the process to be thinking about what you're going to do with your self-build home once it's finished. Given the potential lead times and the impact on your insurance needs, it's always worth giving this some thought early on.

Moving in

If you're moving into your self-build property, your insurance needs will be a lot like moving into an existing property. Buildings and Contents insurance are a consideration, along with any optional extras that are designed to suit your new property.

Renting

If you're renting your self-build out you can research Landlord insurance options. Landlord insurance is specifically designed for owners of rental properties and normally covers the building and any contents that belong to you that are still in the property.

Selling

If you are planning on selling your completed property within 10 years, having a Structural Warranty in place may make this process more straightforward, as buyers may find obtaining finance for the property difficult if a warranty is not in place.



Whether you rent or live in the property, the insurance value should reflect the rebuild value of the property, as this may well be different to the finished sale value.



Fittings and fixtures



Adding the finishing touches

The build phase is nearing completion. Time to add those finishing touches like furnishings, painting and interior decoration.

This is also the right time to start thinking about obtaining completion certificates for your new property.

With a completion certificate you'll be able to secure final approval of the build, be eligible for a Home insurance policy and claim back any VAT on the build.

What are my costs?

- Furniture
- Furnishings
- Appliances
- Painting
- Lighting
- Decorating

What cover could I need?

- Consider your cover needs between build completion and moving in
- This should include the finished structure, plus contents



As the property moves from a site to a home, the value of items, such as white goods, may increase rapidly. Consider whether your insurance cover and site security are still sufficient.



Security



Final touches and the importance of security

When the build is complete and you've moved onto fixtures, fittings and decorations, it can be a relief to see the bare bones work give way to designing how your home will actually look every day. To ensure that you can focus all your energy on finishing your project, it can be useful to bear these last minute risks in mind:

Value

As you add additional fixtures and fittings to the interior and possibly the exterior of your home, its value is going to increase. This is a positive thing, but it can also have an impact on your insurance.

Have you already factored in how much your property will be worth with all the fixtures, furniture and décor included? If not, it's important to discuss this with your broker/insurer to ensure your cover limits are still suitable.

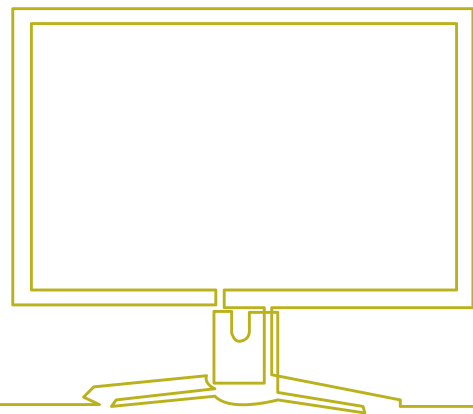
Changing cover

If you have Self-Build insurance in place, the policy is designed to last from the start of construction through to completion. As your project reaches completion you should consider looking into alternative insurance. Consider researching Home insurance policies that would suit your needs.

Security

As your new home increases in value, it becomes more and more at risk of security issues, including vandalism and importantly theft. Alarms, additional locks and CCTV can be considered.

Having an appropriate level of security in place for your home can provide you with additional peace of mind. It will also be an expectation of your insurance provider that you've taken reasonable precautions to protect your home and its contents.



Self-build homes can be viewed by insurers as non-standard, so consider a Self-Build insurance provider who understands self-builds, and who can offer you Home insurance cover when you complete the build.



Completion certificate

Validating and certifying your self-build

As building and fixtures work ends, the focus of your self-build project is shifted from construction to validation. One of the most important stages in your project will be the validation and certification of your home's structure and performance.

Having final completion of your build is neither a small task nor a straight line, but it is very achievable once you obtain all the necessary completion certificates.

Why do I need final completion?

With completion certificates you'll be able to secure final approval of the build, be eligible for a Home insurance policy (as opposed to a Self-Build policy) and claim back any VAT on the build.

What do I need to obtain a completion certificate?

Once you have these certificates in place your property can be signed off:

- ✓ Electrical safety
- ✓ Air pressure test
- ✓ SAP energy rating
- ✓ Hot water benchmarks
- ✓ Fuel storage
- ✓ Open-flued appliances



When organising your Home insurance policy for your self-build, make sure you check with the provider whether they require any additional information or paperwork in place.



Moving in



Getting ready to move

Congratulations! You've completed your build and finished off your fittings and fixtures. Now you're ready to move in or get the property ready for selling or renting.

Remember the Structural Warranty? That now comes into effect with the completion and certification of your build. The property will now be covered for 10 years for the costs of making good if the build was defective due to design, materials or workmanship.

Rules for claiming back VAT on a self-build home

- ✓ You can claim on the self-build and supplies, as well as services such as plumbing and roofing
- ✓ You are restricted to a single claim, which should cover the entire build
- ✓ The claim must be made within 3 months of completing the build

What are my costs?

- Storage transport if you're moving in
- Estate Agent fees for renting/selling

What cover could I need?

- Buildings insurance
- Contents insurance
- Removal insurance for the move
- Always check if your self-build policy extends to a Home insurance policy and if so, for how long



A Structural Warranty may prove to be a valuable investment, particularly if you think you may sell your policy within 10 years of completion, as it may give prospective buyers confidence.



Moving in

Getting ready to move (continued)

The moving process can be hectic, especially if you're working to strict moving-out deadlines. You're likely to have a lot of personal possessions in transit as well as any removal services you might be using. With all this going on at once, consider your cover and where the risk lies.

Multiple properties and policies

There may be a period between leaving your existing property and moving into your self-build where you have two properties, both with varying amounts of contents. Check that you have cover on both until you're moved out.

Using removers

If you have a lot of contents or a number of large items, you may need to employ professional movers. It's worth checking that they're covered in case any of your valuables get lost or damaged in transit.

Hiring vehicles

A popular alternative to removers is hiring a van and transporting your contents yourself. You get more autonomy but also more responsibility, so make sure that you're insured throughout your hire.

Existing insurance

Before you go about looking for additional insurance to cover moving in, it's always worth double-checking your existing policies to check if you're already covered to avoid unnecessary policy doubling.



Multiple properties



Using removers



Hiring vehicles



Existing insurance



When you move in, consider the need for Removal insurance if you're using professionals. If you are self-moving, double-check that your possessions are covered while in transit.



Self-Build Home insurance



Reviewing your Home insurance options

There's going to be a moment in your self-build project when your build starts to look and feel like a home. The fixtures are in, the furniture has been set up and all that's missing are the residents. That change comes with its own change in insurance requirements so you may start looking at your home insurance options at this point.

Do I need a new policy?

If you have Self-Build insurance, there may be a period when you will receive Buildings cover for the Contract Works value of your new property. This may also include some contents cover. However, this is usually a temporary solution and you should check policy limits to ensure they adequately cover everything.

What's covered?

Core Home insurance cover will normally include:

BUILDINGS COVER

Covers the cost of damage to the structure of your property.

CONTENTS COVER

Covers the contents in your property for loss or damage.

Do I need "Self-Build" Home insurance?

The most important thing about Home insurance is making sure it's designed to suit your home and your insurance needs. As long as that is the case you can choose from any number of insurance providers.

It is worth considering opting for Home insurance with an insurer that also provides self-build insurance. They may be able to provide additional expertise and insight when it comes to insuring your self-build home.



Some Self-Build policies offer a level of building and contents cover. This is usually a minimum amount, and you should consider a "full" Home insurance policy.



Living in your self-build home



Addressing any issues that may impact the way you live

Whether you're moving into your self-build home or selling/renting it, you're now dealing with a living space as opposed to work in progress. You can now start to address issues any other home-buyer or landlord would experience with an existing property or new-build.

Snagging

In an existing property, the process of snagging (walking through the property and pointing out anything that's missing/damaged, requires attention) would be done with the site manager or property developer. Make sure that your contractor goes through this process with you for your self-build, so that if you find an issue that's not covered by a Structural Warranty, it can be fixed.

Insurance

Your finished property may be worth more or less than you previously planned for. This would be a good time to re-evaluate your insurance needs and ensure that your cover meets your needs.

What's next?

One thing you definitely shouldn't forget to do once your project is completed. Enjoy it! You've succeeded in building your own home, which is no small feat. All you have to do now is decide what your next project is going to be...



Snagging



Insurance



What's next?



It is good practice to review your home insurance needs at least annually – particularly if your circumstances have changed. Under-insurance can result in claim payments being reduced or claims not paid.



Structural Warranty

Protecting you and any future owners of the property

A Structural Warranty policy is designed to protect you, and future owners of the property (if you sell within the 10 year period of cover) against the cost of complete or partial rebuilding or rectifying work to the house as a result of defective design, workmanship or materials. In addition to this, the policy is designed to provide similar cover for the drainage system and waterproof envelope of the house.



Note: A Structural Warranty policy is not the same as an Architect's Certificate.

Do I need it?

You're not required by law to have a Structural Warranty. You're likely to find that mortgage lenders require a Structural Warranty to be in place before they'll lend against a self-build project, or they'll want a commitment that one will be in place at the conclusion of the build.

When should I buy it?

Some mortgage lenders will require a Structural Warranty to be in place before they agree to lend to you, or release funds, while some will stipulate that a Structural Warranty policy must be in force before completion of build. Speak to your proposed mortgage lender to understand their requirements.



Is the Structural Warranty approved by lenders?

The Council of Mortgage Lenders (CML) has a list of approved Structural Warranty providers. You should check that your Structural Warranty provider is an approved provider of Structural Warranty policies for UK top mortgage providers and lenders. This list may be found on the published list of Lender Approvals.

Will anyone be required to visit my site?

It is likely that at some point in your project, a representative of your chosen Structural Warranty provider will be required to visit your self-build site, however this will be discussed and agreed with you in advance of such a visit taking place.



A Structural Warranty offers similar protection to that which is provided by home builders with new build homes by organisations such as the NHBC and Premier Guarantee.



A quick round-up



Making sure you are protected every step of the way

We've looked at a few types of insurance, so here's a quick round-up of the ones we've covered, and one or two we've not touched on.

1

Land Liability

Designed to cover your liabilities while you own land, but before you've started the process of applying for planning permission for that land.

2

Site Liability

Designed to cover your liabilities while you own a self-build plot where you can demonstrate an intent to use that land for self-building. Cover ceases when the build (including demolition or clearance) starts.

3

Storage insurance

Designed to cover your possessions while in storage.

4

Self-Build insurance, or Project insurance

Designed to cover the build phase of the project, from the point at which construction starts (including demolition or clearance), until build completion. Some of these policies include Site Liability (see above).

5

Removal insurance

Covers your possessions while being transported by a professional removal firm.

6

Home insurance

Designed to cover the finished building and its contents against a range of risks.

7

Landlord insurance

Designed to cover the finished building and any of your contents at the property while let plus various liabilities.

8

Structural Warranty

Designed to protect you, and future owners of the property (if you sell within the ten year period of cover) against the cost of complete or partial rebuilding or rectifying work to the house as a result of defective design, workmanship or materials.

9

Homebuyers insurance

Designed to provide recompense for fees in the event that a home purchase falls through as the result of "gazumping".



In most cases, insurance is a discretionary purchase, influenced by many factors, including attitude to risk. The impact of under-insurance and/or non-insurance can be financially disastrous.

**Need more
information?
Got a question?**

We can help



0800 230 0225



enquiries@selfbuild.uk.com



www.selfbuild.uk.com

