

# Proposal for Latent Defects Insurance



## 1. General Information

- |   |  |
|---|--|
| <p>1.1 Name of Proposer<br/>.....</p> <p>1.2 Address of Proposer<br/>.....<br/>.....<br/>.....</p> <p>1.3 General Description of Premises to be Insured<br/>.....<br/>.....</p> <p>1.4 Location of Premises to be Insured<br/>.....<br/>.....</p> <p>1.5 Proposed Usage of Premises<br/>.....</p> <p>1.6 Name of Owner (if not Proposer)<br/>.....</p> <p>1.7 Interest of the Proposer in the Premises (if not Proposer)<br/>.....</p> <p>1.8 If applicable, what is the relationship between the Proposer and Owner?<br/>.....</p> <p>1.9 Name and address of Architect<br/>.....<br/>.....</p> <p>1.10 Is there a financial relationship between the Architect and the Owner/Proposer other than that arising out of works contracts?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>1.11 Is the contract between the Architect and the Owner under seal?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>1.12 Name and address of Consulting Engineer<br/>.....<br/>.....</p> | <p>1.14 Is there a financial relationship between the Consulting Engineer and the Owner/Proposer other than that arising out of works contracts?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>1.15 Is the contract between the Architect and the Owner under seal?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>1.16 Name and address of Main Contractor<br/>.....<br/>.....</p> <p>1.17 Is the contract between the Main Contractor and the Owner under seal?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>1.18 If the Proposer is not the owner, describe the contractual relationships, if any, existing with the Architect, Consulting Engineer and Main Contractor<br/>.....</p> <p>1.19 To what extent are the benefits of the Owner/Proposer under the above contracts assignable?<br/>.....</p> <p>1.20 Does the Owner/Proposer intend to retain or sell on their interest in the Premises?<br/>.....</p> <p>1.21 Type of works contract (i.e. JCT, RIBA, ICE etc)<br/>.....</p> <p>1.22 Is the contract fixed price or subject to variation?<br/>Fixed <input type="checkbox"/> Variation <input type="checkbox"/></p> <p>1.24 Will there be a Full Time Engineer on site?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/><br/>If not, for what period? .....</p> <p>1.25 Will there be a Full Time Clerk of Works on site?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>1.26 If not, for what period? .....</p> |
|---|--|

**2. Premises to be Insured**

- 2.1 Total estimated rebuilding value of the Premises £ .....
- 2.2 Breakdown of total estimated contract value at the end of construction
- a) Structural Works £ .....
  - b) Non structural works, equipment, fixtures and fittings £ .....
  - c) External works £ .....
  - d) Cost of demolition and removal of debris £ .....  
[max 5% of (a), (b) and (c) above]
  - e) Professional fees £ .....  
[maximum 10% of (a), (b) and (c) above]
- 2.3 Description of the Structure
- a) Type of foundation .....
  - b) Depth of foundation .....
  - c) Type of ground slab .....
  - d) Type of frame .....
  - e) Type of walls .....
  - f) Type of cladding .....
  - g) Roofing materials .....
  - h) Is roof flat or pitched .....
  - i) Number of Storeys  
Above ground level.....  
Below ground level.....
  - j) Ground water level .....
  - k) Lowest level of occupation or use  
.....  
.....
- 2.4 Please give details of the history of the site (e.g. on reclaimed land, mining area, subsidence, fill, etc.)  
.....  
.....
- 2.5 Please provide details of any existing foundations, slab walls, or other structural elements being incorporated in the Premises:  
.....  
.....  
.....

**3. Duration of Works**

- 3.1 Expected duration of works.....  
.....
- Expected date of site clearance .....
- .....
- Expected date of start of construction works.....  
.....
- .....
- Expected date of practical completion .....  
.....

**4. Insurance Requirements**

- 4.1 Is cover required for weatherproofing
- Flat roofs? Yes  No
  - Sloping roofs? Yes  No
  - External Walls? Yes  No
- 4.2 Is cover required for seepage below ground level? Yes  No
- If yes, type of weatherproofing system and approximate value of works  
.....  
.....
- 4.3 Deductible (each and every claim)  
£ .....
- 4.4 Do you require cover to be index linked?  
Yes  No  ..... % per annum

**5. Attached Technical Documents**

- 5.1 Plans and cross sections of works to be insured Yes  No
- 5.2 Soils Report Yes  No
- 5.3 Outline specification of Works Yes  No
- 5.4 Contract conditions if not standard JCT or ICE form .....

**6. Declaration**

I, (we), undersigned, certify that all answers to this questionnaire are complete and true and that to my (our) knowledge no information relating to the nature of the risk has been voluntarily withheld or omitted.

Signature .....

Name (in block capitals).....

Position in Company.....

## TECHNICAL SURVEY AND AUDIT REPORT

An essential feature of Latent Defects Insurance is the appointment of independent Technical Auditors to monitor the project throughout the design and construction stages. The Technical Auditors fees are charged directly to the insured, separate from the premium.

The need for the technical audit means that it is vital that enquiries are submitted at an early stage in the planning of the building.

The following is a broad outline of the inquiry procedure:

### Initial inquiry and quotation:

- The proposer supplies the Hepburns Insurance with the initial information including the completed proposal form, drawings and soil reports and nominates, the Consulting Engineer, Architect and Building Contractor to be used
- The insurer agrees with the technical auditors the precise monitoring and control procedure, which will be necessary.
- The technical auditors provide the insurers/proposer with a quotation for their services.
- Hepburns Insurance provide a quotation for the insurance cover plus the technical auditors fees and the cover granted is conditional upon the technical auditors unqualified Certificate of Approval.

The insurance quotation will be based upon the estimated contract price, contract period and method of construction, which is subject to adjustment against the reinstatement value, ascertained on completion of the contract.

### Following acceptance of the quotation:

- A formal tripartite agreement between the proposer, the technical auditor and the insurer is drawn up.
- The Technical Auditor initiates his service, which is maintained until practical completion.

Any adverse design, materials or workmanship noted by the technical auditors are reported to the insurer who in turn notifies the proposer. Note, for practical reasons the technical auditors may notify the proposer and/or the proposer's technical team directly.

- The proposer pays the required deposit on the insurance premium and the fee to the Technical Auditor.
- The insurer issues a certificate expressing the intention to provide insurance on practical completion of the building.

### Following issue of the certificate of practical completion:

- The technical auditor issues a Certificate of Approval to the proposer and the insurer.

(If at all possible the certificate will be unqualified but if there are any qualifications, the policy may exclude any damage resulting from the defects or unsatisfactory features that are reported).

- The proposer pays the balance of the insurance premium.
- The policy is issued.