



# HomeWorks



## What's Changed?

**Policy Wording Reference:** HWK/1015/PW (effective 19/10/2015)

The Homeworks 2015 policy wording, the 'Homeworks 2015 What's Changed' document, Key Facts and Product Summary and all previous versions are available to download as PDF documents from the Plum Underwriting Ltd website as follows:

<http://www.plum-underwriting.com/document-centre/>

This document tells **you** what has changed in the Homeworks 2015 **policy** wording from the 2013 version.

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### Customer Services & Complaints Procedure – Page 4

Wording now refers to **your schedule** for details of the complaints procedure and the Financial Ombudsman Service.

### Definitions – Words with Special Meanings - Pages 7, 8 & 9 (pages 5, 6 & 7 in 2013 wording)

#### Accidental Damage

New definition introduced

#### Bodily Injury

Amended definition

#### Contents

Increase in cover, see below

**We** have updated the contents definition to confirm an increased limit for cover of property in the open but still within the risk address and contents in garages and outbuildings, please see below:

- property in the open but within the **risk address** up to £1,000 (*up from £500*) in total per claim (other than radio and television aerials, satellite dishes, their fittings and masts which are attached to the **home**)
- **contents** in garages and outbuildings up to £2,500 (*up from £1,000*) in total per claim

#### Policy

Amended definition

#### Schedule

Amended definition

#### Swimming pools

New definition introduced

## Unoccupied

Amended definition

## Vitiating act

New definition introduced

## General Conditions – Pages 10, 11 & 12 (pages 8, 9, 10 & 11 in 2013 wording)

### NEW CONDITION: Multiple Premises

Each **risk address** included under this insurance is considered to be covered as if separately insured.

### NEW CONDITION: Your Duty of Care

**You** must take all reasonable steps to:

- ensure the safety of the **risk address**
- prevent accidents and comply with all statutory obligations and to maintain the **contract works**, machinery, plant and **existing structure** in good condition and repair
- select **contractor(s)** who are experienced to carry out the **contract works** they will be undertaking as defined in the **contract**.
- remedy any defect or danger as soon as it is discovered and take any necessary precautions
- prevent any circumstances arising or cease any activity which may give rise to a claim under the **policy**

If **you** do not, **we** will not be liable to pay any related claim.

### NEW CONDITION: Other Insurance

**We** will not pay any claim if any loss, damage or liability covered under this insurance is also covered wholly or in part under any other insurance except in respect of any amount over which would have been covered under such other insurance had this insurance not been affected.

### NEW CONDITION: Sums Insured

**You** must ensure that **your sum insured** represents the full value of the property insured.

For **your existing structure**, the full value is the estimated cost of rebuilding if **your buildings** were destroyed (this is not the same as the market value). It must be adequate to include rebuilding expenses.

**Your sum insured** for **contents** must be the cost to replace as new.

If **you** fail to ensure that **your sums insured** represent the full value of the property insured, **we** may only pay a proportion of **your** claim. For example if **your sum insured** only covers one half of the cost of rebuilding **your existing structure**, **we** will only pay one half of the cost of repair or replacement.

### NEW CONDITION: Fraudulent Claims

If **you** or anyone acting on **your** behalf makes a claim knowing it to be false or fraudulent in amount or in any other respect **we** will cancel this **policy** from the date of the fraudulent act.

**We** will seek to recover any payments from **you** which **we** have already made in respect of the fraudulent claim.

This action will not affect any previous claims unless the fraudulent act took place before any previous claims in which case the **policy** will be cancelled from the date of the fraudulent act and therefore no cover exists after this date and **we** will seek to recover any payments from any previous claims which **we** paid **you** on or after the date of the fraudulent act.

### NEW CONDITION: General Property Management

**You** must ensure that:

- all gas, water and electricity mains supplies are disconnected if the **risk address** is **unoccupied** other than those required to operate any sprinkler system, fire alarm system or intruder alarm system.
- the **risk address** must be inspected thoroughly internally and externally at least once every 7 days by either **you** or **your** representative to check the premises thoroughly and to carry out any work necessary to prevent **accidental damage** and maintain the security arrangements. A record of all inspections must be kept and made available to **us** on request. An example of an inspection record is included below, along with an example inspection checklist.
- all outside doors at the **risk address** are kept securely locked to prevent unauthorised entry when **you** or **your** representative or **your contractor(s)** are not present at the **risk address**.

- all windows firmly secured at all times when **you** or **your** representative or **your contractor(s)** are not present at the **risk address**.
- any alarm system is put into operation when **you** or **your** representative or **your contractor(s)** are not present at the **risk address**.
- any accumulations of combustible materials introduced to the **risk address** as part of the **contract** be adequately protected against sources of ignition and heat.
- any accumulations of waste from any **contract works** are to be removed from the **existing structure** at the end of each working day and deposited in skips. Such skips are to be situated at least 5 metres (16 feet 4.85 inches) from any **existing structure** and removed at least weekly from the **risk address**.

#### Example Inspection Record:

| Name       | Date       | Time  | Observations/Actions   |
|------------|------------|-------|--|
| John Smith | 17/12/2015 | 14:20 | All rooms checked and found in good condition, left fully locked with alarm activated. |

#### Example Inspection Checklist

Whilst not exhaustive, the following is a list of areas which **you** or **your** representative may consider including in the inspection to mitigate any loss or damage:

- Windows shut and fastened and locked
- All external doors shut, fastened and locked when the **risk address** is left unattended
- Check throughout the **risk address** for any signs of ingress of water
- Check inside and outside of the **risk address** for any signs of leaks/escape of water
- Check all windows and doors of the **risk address** for signs of any attempted forced entry
- Remove any build up of newspapers and post
- Consider sealing letter box
- Remove any rubbish that has accumulated outside of the **risk address** or in doorways/porches
- If fitted ensure the intruder alarm is fully functional and operates correctly
- If fitted ensure CCTV system is fully functional and operates correctly
- Ensure electrical appliances are switched off when not in use
- Ensure any uncontained electrical wiring is in good condition and no bare wires are showing
- Roof tiles in good order, no slipped or broken tiles
- Flat roofs in good condition, no rips/tears or pooling of water
- Ensure gutters and rainwater goods are regularly checked and cleared of any build up of leaves/rubbish
- Ensure trees and shrubs are maintained with any damage/diseased sections being removed
- Gardens are maintained/ with rubbish removed
- Ensure aerial and satellite dishes are secured
- Internally ensure water is free running through sanitary ware and there are no signs of blockages
- Lift drain inspection covers to ensure water is free running and that there are no signs of blockages
- Check level of oil in external tanks is in line with expectation
- Check oil tanks externally for damage or leaks
- Ensure central heating is functional and operates correctly including timers
- Check any garages/outbuildings for signs of any attempted forced entry

#### NEW CONDITION: Risk Management

Where the total of the **existing structure sum insured** and the **contract works sum insured** is greater than or equal to £2,500,000 **we** may speak to **your broker or insurance intermediary** to arrange a mutually agreeable date and time to visit the **risk address** with **you** or **your** representative to provide **you** with risk management advice free of charge.

**We** may at **our** discretion offer this service to **you** if **your existing structure sum insured** and **contract works sum insured** is under £2,500,000. Where **we** do, **we** will speak to **your broker or insurance intermediary** to arrange a mutually agreeable date and time to visit the **risk address** with **you** or **your** representative.

#### REMOVED CONDITIONS:

Assignment

Discharge of Liabilities

Disputes

Interpretation

Joint Insureds

## Correct Information and Change in Circumstances

### Survey

### Under-Insurance – Average

### Access

### Possession

### Our Rights

### Transit Loss Sharing

### Munitions of War

### Premium Adjustment

### Security

## General Exclusions – Pages 14 & 15 (pages 12 & 13 in 2013 wording)

### 1. The use of the words ‘directly or indirectly’

The FCA has expressed its dissatisfaction with the term ‘directly or indirectly’ in a consumer policy and therefore we have removed this terminology throughout the general exclusions.

### 2. Examples of General Exclusions

Also in line with FCA **we** have included some examples of some of the usual exclusions to the **policy** such as wear and tear and mechanical and electrical breakdown.

#### *Examples of Wear & Tear*

- Damp formed over a period of time
- Blocked or poorly maintained guttering
- Failure of a flat roof due to age
- Worn out carpets

#### *Examples of Mechanical & Electrical Breakdown*

- Electrical failure of an electrical components in televisions, computers etc
- Mechanical failure of a clock mechanism

## Section 1 – Your Property - Cover & Special Extensions – Pages 18 – 23 (pages 17 - 21 in 2013 wording)

### 1. The use of the words ‘directly or indirectly’

As noted in the General Exclusions section above, the FCA has expressed its dissatisfaction with the term ‘directly or indirectly’ in a consumer policy and therefore we have removed this terminology throughout Section 1 – Your Property - Cover.

### 2. New Definitions

The new definition ‘**Vitiating act**’ has been included.

### 3. Additions

#### **Insurance for Other Parties**

Unless cover is otherwise restricted or extended the inclusion of the **other parties** as joint insured under Section 1 applies to the extent required by any conditions of the **contract** applying between **you** and the **contractor(s)**. **We** retain rights of recourse at Law against negligent **other parties** in all other circumstances.

If the **other parties** shown in **your schedule** consist of more than one party, each operating as a separate and distinct entity and cover applies to them under **contract**, then the cover under this **policy** shall apply as if individual policies have been issued to each **other party**.

The total **we** will pay to **you** and all of the **other parties** collectively shall not exceed the **sum insured** shown in **your schedule** plus any limit shown under any special extension which applies and gives cover over and above the **sum insured** shown in **your schedule**.

Any payment or payments by **us** to **you** or any one or more **other party** shall reduce to the extent of that payment, the liability of **us** to **you** and all **other parties** covered by this **policy**, arising out of any one event giving rise to a claim under this **policy**.

**We** shall at all times be entitled to avoid liability to, or claim damages from, **you** or any of the **other parties** in the event of a **vitiating act**.

Any **vitiating act** committed by **you** or any **other party** shall not prejudice the right of payment to **you** or any **other party** who has not committed a **vitiating act**.

**We** will waive all rights of subrogation which **we** may have or acquire against any **other party** except where the rights of subrogation or recourse are acquired in consequence of or otherwise following a **vitiating act** in which circumstances **we** may enforce such rights notwithstanding the continuing or former status of the vitiating party as an **-other party**.

Any lenders to the project shall not be entitled to any payment under this **policy** arising from loss, destruction or damage in respect of which **we** by reason of a **vitiating act** are no longer liable to pay any one or more **other party**.

#### **How much we will pay**

The full cost of repair, replacement or rebuilding of insured loss or damage up to the **sum insured** shown on **your schedule** plus any limit shown under any special extension which applies and gives cover over and above the **sum insured** shown in **your schedule**, subject to the repair, replacement or rebuilding work being carried out.

**We** may require **you** to carry out reinstatement or replacement. **Our** liability is subject to all the terms, conditions and exclusions of this **policy**.

After arriving at a claims settlement, **we** will deduct the applicable **excess** before paying the claim.

The basis of settlement is at **our** sole discretion.

**We** will not provide any contribution, allowance or consideration for the cost of extending, improving or refurbishing any part of the **risk address**.

**We** will not pay any costs which **we** have not agreed in writing, any expenses for preparing a claim or an estimate of loss or damage.

The most **we** will pay is the **sum insured** shown on **your schedule** less the **excess** shown on **your schedule** plus any limit shown under any special extension which applies and gives cover over and above the **sum insured** shown in **your schedule**.

## **4. Changes in Cover**

### **a) Removal of:**

**10 - Joint Insureds**

**14 - Storage**

### **b) Additions of:**

#### **16 – Trace and Access**

**We** will pay for the costs incurred to find the source of an escape of:

- water, oil or gas from any domestic water or heating installation within the **risk address** including subsequent repairs to walls, floors and ceilings
- water from underground service pipes, cables, sewers and drains for which **you** are legally responsible outside the **risk address** but at the address shown on **your schedule**
- **We will not pay more than £10,000 for this cover**

#### **17 – VAT Extension**

- Following **accidental damage** insured by this **policy**, in the event that the **sum insured** provided for **contract works** is exceeded solely due to the inclusion of Value Added Tax, and it can be shown that the originally advised **sum insured** for **contract works** does not include a Value Added Tax amount, **your sum insured** for

**contract works** will automatically be increased to the extent of the Value Added Tax applicable to the **contract works**, subject to a maximum of 20% of the **contract works sum insured** shown in **your schedule**. At the completion of the **contract works**, **you** will be required to declare to **us** the final **contract** value, including Value Added Tax, and **we** will adjust the premium charged accordingly against the last supplied **contract** value.

## Section 1 – Your Property – Exclusions – Pages 24-25 (pages 22 & 23 in 2013 wording)

Addition of:

- 14. Accidental damage** arising from storm, flood, frost, falling trees or weight of snow to gates, fences, pergolas, gazebos, arbours, hedges within the boundaries of the **home**

## Section 2 – Your Contents – Cover - Page 26 (page 24 in 2013 wording)

REMOVAL of 9a

### Subsidence/Heave/Landslip – Page 26 (page 24 in 2013 wording)

- 9. ‘Accidental damage** by **subsidence** or **heave** of the **site** or **landslip**: **We** will not pay – a) to **swimming pools**, hot tubs, tennis courts, service tanks, central heating oil tanks, ground source heating pumps, terraces, paths, drives, walls, fences, gates and hedges unless the **risk address** is damaged by the same cause and at the same time

## Section 2 – Your Contents – Conditions that apply to this section only – Page 27 (page 25 in 2013 wording)

AMENDMENT:

### Increase in limit paid for Pair/Set/Suite or Part of a Common Design

This section has been included to reflect what we have seen from the Financial Ombudsman Service:

- 2. We** will pay up to 50% of the cost of replacing any undamaged parts of the **contents** (previously not covered) which form part of a pair, set, suite or part of a common design or function but no more than the **contents sum insured** shown in **your schedule**

## Section 3 – Your Liability as Property Owner – Page 28 (page 26 in 2013 wording)

### 1. The use of the words ‘directly or indirectly’

As noted in the General Exclusions section above, the FCA has expressed its dissatisfaction with the term ‘directly or indirectly’ in a consumer policy and therefore we have removed this terminology throughout Section 3 – Accidents to Domestic Staff.

### 2. Amendment to clause:

- **7 now excludes accidental damage:**  
in respect of **bodily injury** or **accidental damage** relating to anyone employed by **you** arising out of and in the course of employment by **you** at or adjacent to the **risk address** and/or as part of the **contract**.

**End of ‘Homeworks 2015 - What’s changed?’ Document.**

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