

Guide to services

premier
guarantee®

It's a Premier Guarantee

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About us

Building is a complicated process. It takes a lot of time, a great amount of varying expertise and a serious amount of effort to go from the idea of a development, to that glorious moment of stepping over the threshold of a completed project.

Anyone working in the industry knows there will be tough times where things go wrong and all the planning in the world could not have prevented it. And at those moments, when the pressure is on, that's when you gather the team around you and lean on them for support and energy to move onwards.

Building a trusted team is rarely discussed but knowing that people are equipped with the knowledge, skills and experience along with enthusiasm for the job at hand – that is priceless! With our many years of experience, no one knows the complexities of this process, the challenges projects face and the issues within the wider industry better than Premier Guarantee.

That's why we see ourselves as part of your team. Our confidence in our ability to deliver projects means we will put our name to it, and when we are satisfied, we give our clients' end product a Premier Guarantee.

A Premier Guarantee means it's a job well done.



Tailored cover – unlike other providers who use one policy to cover all development types, we offer a comprehensive range of cover tailored to specific schemes. All our structural warranties can be used individually or together for mixed-use projects, including social housing and private rental schemes.



Our team – we employ upwards of 450 staff with over 200 in our technical team, including building surveyors, structural engineers, plan checkers, project managers, façade specialists, basement specialists, technical training staff and claims investigators.



Our culture – is one of continued improvement. It's supported by the fact that we have developed a bespoke software system to provide transparency of business information. The innovative, cutting edge technology is shared and integrated across the business and with staff, clients and insurers alike.

Approvals and accreditations

**UK Finance Approved
Warranty Provider**



UK FINANCE
2020 ASSOCIATE MEMBER

www.cml.org.uk

ACAI Approved



www.approvedinspectors.org.uk

ISO 9001 : 2015 accredited



www.ukas.com

CICAIR Approved



www.cic.org.uk

HCA Approved Warranty Provider



Homes &
Communities
Agency

www.gov.uk

ACAI Approved Inspectors



www.cbuide.com



Our insurers

Our policies are underwritten by 'A' rated insurers, giving you and your buyers added security, protection and peace of mind for the duration of your policy. Our panel of insurers offer flexible, secure solutions to suit your specific requirements and size of your project.



HSB Engineering Insurance Ltd (HSBEIL) is a leading specialist provider of engineering and technology insurance, and inspection services.

HSB's specialist underwriting in the UK and Ireland covers a broad range of risks including construction, cyber, computer, equipment breakdown and energy.

Built on a foundation of specialist insurance, engineering and technology, HSB is a global provider, with over 150 years of technical risk knowledge and experience, that sets the standard for excellence worldwide. Part of Munich Re, HSB is rated A++ (Superior) by A.M. Best Company.

The logo for Lloyd's, consisting of the word 'LLOYD'S' in white, uppercase, serif font, centered within a black rectangular box.

LLOYD'S

Lloyd's of London is the world's specialist insurance and reinsurance market.

The provider is often the first to insure emerging, unusual and complex risks. Lloyd's currently enjoys an 'A' rating from A.M. Best, 'A+' from Standard & Poor's Financial Services LLC and 'AA-' from Fitch Ratings Inc.



A top global insurance brand and one of the 50 largest companies in the world. They operate in 59 countries, representing over 100 million clients.

AXA Insurance have a Financial Strength Rating (FSR) of 'A+' according to Standard & Poor's Financial Services LLC.

Our warranty

Historically, commercial latent defects insurance provides building owners with protection for defects in the design, materials or workmanship in the main structural and waterproofing elements of an insured property.

Policies are typically 10 years in duration (but can be 12 years), non-cancellable and are transferrable to future property owners within the policy period.

The insurance cover goes hand-in-hand with a technical audit, which is undertaken as a prerequisite to the provision of cover. The audit comprises a check of the design and structural calculations and site visits to assess the quality of construction.

Each of our policies have different levels, limits and sections of cover, so make sure you fully understand what cover is available to you. Details of cover can be found on our website www.premierguarantee.com, or by contacting our team on 0800 107 8446.

The benefits of cover can be summarised as follows:

- A lender's investment is protected against loss
- Adequate insurance cover means the property owner is less likely to default on loan payments should a major structural defect be discovered
- Enhanced owner protection
- The technical audit ensures high quality and consistent building standards
- Sums insured can be indexed linked, protecting policyholders against inflation
- The building owner does not have to prove fault or negligence by third parties in the event of a valid claim as the LD policy will pay first and subrogate against negligent parties
- Immediate funds are provided to rectify defects and repair damage

Our policies provide fast, robust and, above all, secure protection which as a first-party policy provides a superior option against other classes of insurance. Lenders and building owners can be safe in the knowledge that their investment is protected.

Building control

When it comes to building control, we have a broad base of residential and commercial experience, from low-rise to high-rise.

We are approved by the Construction Industry Council Approved Inspectors Register (CICAIR) and as such have to confirm the competencies as set out by the CICAIR knowledge base and provide returns annually.

What we offer:

- service that supports you from the early design stages through the development of the project design to the construction phase and beyond
- local consultation and design review service that has the expertise of a national network of experienced Building Regulation practitioners (members of our team sit on a wide range of industry specialist panels from the BSI to CABE)
- design evaluation service to help maximise your design, enabling you to meet your client's aspirations while achieving regulatory compliance. We will endeavour to remove obstacles and offer viable options throughout the design journey

Our multi-tiered service provides a design review, site inspection and multi-point internal audit, giving you four lines of defence to ensure your project is fully compliant with the relevant requirements.



Design review: a team approach to ensure the proposed design is suitable and risk is minimised



Inspection: a bespoke and co-ordinated inspection plan to ensure risk areas are inspected and complex details are constructed correctly



Audit: a multi-point, multi-tier audit plan to ensure that design review and inspections are protected against future claims



Golden thread – a final report confirming compliance has been achieved and risks have been minimised. This documents our review and inspection process for the developer

Drawing on years of experience of warranty claims learning, we are able to advise on areas that are at risk of premature failure, leading your design to be robust and fit for purpose throughout the life of the building.

We will keep you informed, with regular updates and documentation, from pre-application to completion. Our services are independent of our warranty products but can be easily integrated with them – so you can have the best of both worlds.

We aim to deliver a service that supports you every step of the way.

Machinery Inherent Defects Insurance (MIDI)

Modern buildings are becoming increasingly complex with up to 40% of construction costs relating to the mechanical and electrical services that support them.

These mechanical and electrical services can be plagued by defects caused by poor design, materials or workmanship and this can be highly problematic for the owners and occupiers of affected buildings

We offer MIDI cover on our New Homes, Social Housing, Private Rental and Commercial Schemes for five years from completion.



Which warranty is right for me?

We recognise that as a developer you require excellent customer service when working with a structural warranty and building control provider – and that's a service we can deliver.

With a dedicated surveying and customer service team, we ensure consistency across all of your sites while reducing your points of contact.

Ultimately, our aim is to help you finish on time and on budget with our support from design to completion.

New Homes Warranty

This covers the building, conversions or refurbishments of private residential developments.

Social Housing Warranty

Our Social Housing Warranty provides housing associations with up to 12 years cover on new build developments and conversions.

Commercial Buildings Warranty

Our Commercial Buildings Warranty has been designed for developers working on commercial projects and mixed-use developments.

Completed Housing Warranty

Our Completed Housing Scheme can provide cover for properties, which have been built without the benefit of a warranty in place (subject to scheme criteria). Cover is provided up to the balance of 10 years.

Simple Completion Warranty

This cover is tailored to any company or individual selling completed or partially completed homes which they have acquired through developer insolvency and need to meet the criteria of mortgage lenders, in order to sell their properties on the private market.

High Value Warranty

As the size of development projects continue to increase, so does the requirement for higher limit structural insurance which can be difficult to obtain. Our specialist high value scheme offers residential, commercial and social housing cover for large single blocks and large scale developments.

Private Rental/Build to Rent Warranty

Our Private Rental Scheme (PRS) provides the latent defect/warranty backing required by funders and institutional investors in purpose-built private rental schemes. Such investments are expected to be built to the correct standards and properly indemnified should structural defects occur.

System acceptance

As part of our warranty application process, developers and builders must ensure that the systems they use on site are accepted by us in line with the requirements of our Technical Manual. Using systems that are not approved by Premier Guarantee may lead to lengthy delays onsite. Our system acceptance has been developed to help manufacturers gain accreditation under our technical requirements, allowing them to be promoted as an accepted system provider, giving customer's confidence in using their systems on site registered with Premier Guarantee.

Indication request

Contact our team, who will be happy to provide you with a quote indication over the phone.

To calculate your indication, we will require some basic information:

- If you are not registered with Premier Guarantee, but are registered with another warranty provider, please have your developer rating to hand
- A basic overview of your development, such as the number of units you are planning to build and the type of construction you are undertaking
- If you are requesting a quote indication on our New Homes Warranty, we will require the estimated total sale price of the properties you are building
- If you are requesting a quote indication for any of our other schemes, we will need the estimated total reconstruction cost of the properties you are building

Please note that a full application form must be completed in order for a formal, binding quote to be issued.

Full quotation

Simply complete and return our application form and let us do the rest of the work for you.

Quotations usually take no more than five days to process and should we need any additional information with your application, we will contact you to discuss exactly what we need.

We have one form for all warranty and building control requirements and this can be found on our website **www.premierguarantee.com**, or by contacting our team on **0800 107 8446**. You don't have to complete any additional forms for registration.

Please ensure that you fully complete all relevant sections.

How long do quotations take to process?

A completed application form can be sent via post, email or fax. We respond to all our standard quotes within five days, with the majority being responded to in less than two working days. We recommend you submit the form at the earliest possible opportunity prior to starting on site.

Your quotation

Once you have your quotation from us, there may be some conditions we need you to satisfy before your warranty order can be completed. It's important to note that failing to satisfy the conditions on your quotation will mean we will be unable to release documentation to you – including Certificates of Insurance – once your site is completed.

Remember, you can proceed with your quote acceptance before you satisfy the conditions that are applied to your quotation.

There are two main types of conditions.

First, our underwriters may have specified technical conditions relating to the type of development you are building. These could be requests for additional documentation, such as plans or certification or further clarification on certain aspects of your build. Whatever the condition, it is important that you provide this information as soon as possible to ensure you do not experience delays in your application.

Second, our underwriters may require administration conditions which can include security in the form of escrow deposits or indemnities.

Each application we receive is reviewed by our underwriters to ensure that the parties involved in the development are in a financial position to meet their obligations under our policy. If your financial accounts, company credit score or trading history does not provide a level of certainty, additional security may be required in relation to insolvency cover during the build period and/or claims during the Defects Insurance Period.

Types of indemnity and financial security we will typically ask for:

- ASSOCIATE COMPANY INDEMNITY AGREEMENT (ACIA)
- ESCROW DEPOSIT

Please refer to the table on page 28 for further information on types of indemnity and security.

Scenarios under which escrows will be retained:

1. If an escrow is required to cover insolvency during the build period, escrow amounts will be returned to the builder/developer once the Certificate of Insurance has been issued on the final unit to be completed on the development.

2. If an escrow is required to cover the builder's/developer's responsibilities during the Defects Insurance Period, escrow amounts will be refunded 12 months after the completion of the builder's/developer's period of liability, based on the date of the last Certificate of Insurance issued on the development.

In both cases, any interest accrued, calculated at the Bank of England's base rate of interest, will be included in the amount returned to the developer.

How do I accept my quotation?

Please complete and return the final page of the quote (Quotation Acceptance Form) and return it to us. We will then send you an invoice and your risk management surveyor will contact you within 48 hours.

Please note, we can only accept a Quotation Acceptance Form if it is signed by the owner of the land to be developed at the time of acceptance.

What happens once I have accepted my quotation?

Once your acceptance has been processed, you will receive an email containing your order details, key contacts and details of any additional information that we require. An invoice will be attached to your email which will include details of your payment plan.

Your account handler will contact you within five days of your order being placed and will explain how our processes work. They will be your main point of contact throughout.

What affects the cost of my warranty?

There are three main elements that will affect the cost of your warranty:

- **Your developer rating** – this is calculated using your past experience and claims history, along with any rating scores you have from other warranty providers.
- **Your financial strength** – this will dictate whether we need to request any additional security from you.
- **The size of your development** – either the total reconstruction or sale price of your development.

Registration and standards

If you are a developer and/or builder working on projects to be covered by our New Homes and Social Housing Schemes and you are not already registered with Premier Guarantee, you will need to register with us.

Full details are provided on our application form or you can visit the registration section of our website: www.premierguarantee.com/services/builder-registration

Your registration pack

When applying to join the Premier Guarantee Register, you will receive a pack of documents which need to be read and signed where appropriate to allow us to complete your application. Based on the criteria of our registration process, your pack will contain some of the following documents:

Each pack will always include the following documents:

- Rules of Registration (ROR)
- Acceptance of the Rules of Registration

And depending on the criteria of our registration process, your pack will contain some of the additional following documents:

- Company Indemnity Agreement (CIA)
- Associate Company Indemnity Agreement (ACIA)

Please refer to the table on page 28 for further information on types of indemnity and security.



What standards do I need to work to?

When you choose a Premier Guarantee warranty, the following steps will take place:

Step 1. Initial assessments

When you register with Premier Guarantee, you will undergo an assessment to make sure you are able to build to the required technical standards.

You will be assessed on key areas of construction management, including site supervision, use of sub-contractors, site facilities and safety policies. Current and past work can be used to demonstrate your competency.

Once you have successfully completed your assessment, our risk management surveyor will notify our customer service team and they will add this to your registration details. This will be valid as long as you are registered with us.

Step 2. Refurbishment assessments

Refurbishment assessments will only be completed when your development includes retained structural elements and waterproof envelope of any existing building.

Our risk management surveyor will carry out a refurbishment assessment of the existing fabric to determine if we can accept it as a standard risk under our policy.

Depending on the condition of the existing building elements, an expert survey may be required. If deemed acceptable, we will then follow the technical audit process.

Step 3. Technical audits

Our technical audit process has been designed to support a bespoke inspection plan for each development we work with, focusing on critical areas of construction in today's built environment.

Our risk management surveyors will undertake this process with your site manager to ensure clear understanding between your site team and Premier Guarantee.

Each site inspection plan follows a similar process with individual visits tailored to the needs of your development:

1. Following your initial assessment, your surveyor will talk through the information we need throughout the build and agree your inspection plan.
2. Your risk management surveyor will then visit your site based on the tailored inspection plan, and you will be given a site record book to keep on site. We keep the notes of each inspection in this book so we can track progress and identify any potential issues.
3. After each site visit, a site inspection report will be completed and sent to you to show your progress.
4. When you have completed the build, we will have a final handover inspection, following the application of the logic test on New Homes, Social Housing and Private Rental Schemes as outlined in the Technical Manual.

The Extranet

As our client, you will have access to our Extranet platform, allowing you to manage everything in relation to your sites from responding to outstanding actions to downloading your documentation and fast-tracking quote applications.

What you can do on the Extranet:

- View and respond to conditions/actions and follow progress via a 'WhatsApp'-style conversation for a complete audit trail
- Filter plot-related urgent actions to help you prioritise work
- Complete an online quote application
- View technical documents you have submitted to us or we have shared with you
- Print or request certificates or see at-a-glance what you need to do for certificates to be issued
- Export all outstanding technical and non-technical actions into an Excel file to review or share
- View, add or update any individual office or employee details and grant Extranet access
- View outstanding payment information
- View and download site inspection reporting

Excellence Awards

As a leading structural warranty provider, assisting you to build high-quality developments is very important to us. And for the buildings that go above and beyond what is expected, we want to give you the credit you deserve.

The Premier Guarantee Excellence Awards have been designed to recognise the UK's best developments and site management covered by our schemes. By winning an award you can add value to your properties when selling to prospective purchasers and display a mark of quality.

Types of indemnity and financial security

Document type	What is it?	Why it's needed	When we need it	Applicable schemes
Rules of Registration (ROR)	This document outlines the rules which developers and builders must follow during their registration with Premier Guarantee.	These rules are linked to the indemnities and are used to outline the obligations of the developer and builder which should be followed in all circumstances.	Required for all New Homes, Social Housing and Private Rental Schemes. The document must be signed and returned to us before we can provide cover.	Developers and builders for New Homes, Social Housing and Private Rental Warranties.
Acceptance of the Rules of Registration	A document requiring signature to confirm acceptance of the rules of registration. One per developer or builder only.			
Company Indemnity Agreement (CIA)	A legally binding document in the form of an indemnity which is signed by a party registered with us to develop or build.	This document confirms that the developer or builder agrees to rectify any defects that occur during the Defects Insurance Period.	This document must be signed on behalf of both parent company and the company that is registered with Premier guarantee and is only needed when requested by us.	New Homes, Social Housing and Private Rental Warranties.
Associate Company Indemnity Agreement (ACIA)	It is a legally binding document in the form of an indemnity which is signed by another company (normally in the group of companies of the developer/builder) to 'guarantee' that company for the Defects Insurance Period.	A guarantee normally by a parent company on behalf of its subsidiaries who are acting as developer/builder on one or more sites to ensure that the performance under the requirements of our policy and Rules of Registration will be honoured.	This document must be signed on behalf of the 'Associate Company' and lists the various subsidiaries included under the guarantee. It is only needed where requested specifically by us.	New Homes, Social Housing and Private Rental Warranties.
Escrow Deposit	This is an amount of money that will be held as a bond to be used in the event that a developer/builder not being able to fulfil their obligations under the policy.	Typically, this is to reclaim deposits paid, or for work to be completed on site, in the event of insolvency.	This is required when the financial security falls below our insurers' requirements.	New Homes, Social Housing and Private Rental Warranties.

Warranty overview table

	New Home Warranty	Social Housing Warranty	Commercial Warranty	Completed Housing	Build-To-Rent / Private Rental
Cover Period	10 Years	10 or 12 Years (10 years for High Value Scheme)	10 Years*	The balance of 10 years after completion	10 or 12 Years
Defects Insurance Period (Responsibility of Builder/Developer)	2 Years	1 Year	0 Years		1 Year
Structural Insurance Period (Responsibility of Insurer)	8 Years	11 Years (9 years for High Value Scheme)	10 Years		Up to 11 Years
Financial Limits	Single Unit New Build £1,000,000 Single Unit Conversion £500,000 Continuous Structure New Build £25,000,000 Continuous Structure Conversion £5,000,000 Higher limits are available upon request	Single Unit New Build £500,000 Single Unit Conversion £250,000 Continuous Structure New Build £25,000,000 Continuous Structure Conversion £5,000,000 Higher limits are available on request	£10,000,000** Continuous Structure New Build £25,000,000 Continuous Structure Conversion £5,000,000 Higher limits are available on request	Single Unit New Build £750,000 Single Unit Conversion £350,000 Continuous Structure Limit (Single Structure) £1,250,000	Single Unit New Build £500,000 Single Unit Conversion £250,000 Continuous Structure New Build £25,000,000 Continuous Structure Conversion £5,000,000 Higher limits are available on request
Excess	During Defects Insurance Period £100 During Structural Insurance Period £1,000 (for High Value Schemes this is £1,500)	During Defects Insurance Period £100 During Structural Insurance Period £1,000 (for High Value Schemes this is £1,500)	Variable, subject to sum insured	£1,000	During Defects Insurance Period £100 During Structural Insurance Period £1,000 (for High Value Schemes this is £1,500)
Cover Includes	Machinery Cover Contaminated Land Alternative Accommodation Additional Costs/Fees Removal of Debris	Machinery Cover Contaminated Land Alternative Accommodation Additional Costs/Fees Removal of Debris	Machinery Cover Contaminated Land Additional Costs/Fees Removal of Debris	Machinery Cover Contaminated Land Alternative Accommodation Additional Costs/Fees Removal of Debris	Machinery Cover Contaminated Land Alternative Accommodation Additional Costs/Fees Removal of Debris
Optional Extensions	Deposit Protection Cover	Loss of rent Builder Insolvency †	Loss of Gross Profit Loss of Rent Receivable Loss of Rent Payable		Loss of Rent Builder Insolvency †

* Waterproof envelope is covered from year 2 **Larger developments can be considered on a referral basis

† Subject to approval

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