

# Specialist property & construction insurance solutions



As a property and construction professional, you'll face significant choices and risks within your business. You need an insurance broker, such as W Denis Group, which will not only cover you for risks and exposures arising from legal liabilities and income/asset protection but also have the specialist knowledge and expertise to advise on mitigating technical risks.



**The right policy for you – at competitive rates:**

Stage 1 Planning	Stage 2 Construction	Stage 3 Operational
<p><b>Legal Indemnities</b></p> <ul style="list-style-type: none"> <li>Restrictive covenant</li> <li>Judicial review</li> <li>Defective title</li> <li>Right to light</li> <li>Village green</li> </ul>	<p><b>Material Damage</b></p> <ul style="list-style-type: none"> <li>Single or all projects</li> <li>Contract works</li> <li>Plant &amp; machinery</li> <li>Existing structures</li> </ul>	<p><b>Material Damage</b></p> <ul style="list-style-type: none"> <li>Completed buildings</li> <li>Plant &amp; machinery</li> <li>Asset protection</li> <li>Political risks</li> </ul>
<p><b>Property Owners Liability</b></p> <ul style="list-style-type: none"> <li>Buildings</li> <li>Derelict structures</li> <li>Green or brownfield sites</li> </ul>	<p><b>Legal Liability</b></p> <ul style="list-style-type: none"> <li>Public liability</li> <li>JCT6.5.1</li> <li>Employers liability</li> <li>Professional indemnity</li> </ul>	<p><b>Legal Liability</b></p> <ul style="list-style-type: none"> <li>Public liability</li> <li>Employers liability</li> <li>Environmental liability</li> </ul>
<p><b>Environmental Impairment</b></p> <ul style="list-style-type: none"> <li>Remediation cost capping</li> <li>First &amp; third party liability</li> <li>Business interruption</li> <li>Statutory remediation costs</li> </ul>	<p><b>Consequential Loss</b></p> <ul style="list-style-type: none"> <li>Delay in start up</li> <li>Advance rent</li> <li>Advance profit</li> <li>Expediting expenses</li> </ul>	<p><b>Consequential Loss</b></p> <ul style="list-style-type: none"> <li>Loss of rent</li> <li>Loss of revenue</li> <li>Additional expenditure</li> </ul>
<p><b>Building Regulations Approval &amp; Site Preparation</b></p>	<p><b>Specialist Contingency</b></p> <ul style="list-style-type: none"> <li>Surety bonds</li> <li>Pre-completion insolvency</li> <li>Technical inspections</li> </ul>	<p><b>Building Certification</b></p> <ul style="list-style-type: none"> <li>Latent defects - buildings</li> <li>Latent defects - M &amp; E plant</li> </ul>
<p><b>Risk Management</b></p>	<p><b>CDM/Health &amp; Safety</b></p>	<p><b>Inspection of Plant</b></p>

## Firm foundations

Established since 1963 and fully accredited at Lloyds of London, we trade with insurers in the major UK and European centres.

We deliver:

- Reduced insurance premiums
- Tailored coverage
- Intelligent programme design
- Proactive claims management and analysis
- Service to meet your requirements
- Exclusive range of additional services



## Recent projects

- £400m  
London - refurbishment of industrial buildings into prime offices
- £250m  
London - speculative office development
- £250m  
Lumiere in Leeds - W Denis was appointed to arrange the insurance on this project but after two months the developer's funding was stopped as the global financial crisis took hold. W Denis successfully negotiated for the significant net premiums to be refunded to the developer. In addition, W Denis had procured specialist insurance to cover deposit monies paid by the off-plan investors - these deposit monies were subsequently refunded and paid for by the insurance policies put in place by W Denis
- £200m  
Salford - mixed use
- £100m  
Leeds - Tower (currently Leeds' tallest building)
- £60m  
Leeds - mixed use development
- £50m  
Barnsley - largest mixed use property
- £35m  
Leeds - mixed use development

## Single project construction insurance - The benefits

Many property investors, when commissioning a new development, have relied upon their appointed contractors to arrange the typical contract works insurance. However, as the property investor/developer, you control the project. As a result, benefit in cover and cost can be achieved if you take control of arranging the insurance instead.

### Control

You control the basis of cover, terms and conditions, quality of insurers, extension clauses etc, as well as the cost of the insurance (if the JCT contract conditions are set correctly, the contractors must then reduce their contract price to reflect what they are not insuring).

### Security

You can rest assured that the insurance has been paid for and is in place on the correct basis.

### Capacity

The larger developments, which need to be syndicated between a group of insurers, are usually for those projects which may take a number of years to complete. The single project insurance route 'ring fences' this capacity as one policy is taken out for the entire duration of the project. The insurer therefore cannot increase the premium if claims are made, nor can the insurer restrict cover or withdraw capacity. This is particularly important if the project lasts beyond the turn of insurance market conditions into a 'hard market' when premiums rise and capacity is limited.

### Efficiency

When contractors insure the works under their annual arrangements, the premiums may be inflated due to the contractor's past claims experience. Whilst still relevant to disclose, the single project route allows underwriters to take a more focused approach to the specific site, input risk engineering where necessary and quote very competitive premiums. This is particularly the case on larger projects.

### DSU

DSU or 'Delay in Start Up' insurance is only available as an extension to a contract works policy arranged by the developer/employer. Various types of DSU insurance are available, but one of the most important for property developers is for 'debt servicing' which indemnifies the employer for the continuing liability to repay interest on loans if a project is delayed due to insured events during the construction period. In the event of a catastrophe just prior to handover, this exposure could be very significant and if left uninsured, could seriously erode a developer's margin in the event of a loss. It is important to distinguish that DSU insurance often provides indemnity to developers where contractors are exempt from having to pay LAD's. For major projects, financiers often insist that developers purchase DSU cover.

### Claims

If a claim occurs, you rather than the contractor are in control of the negotiations.

**If you would like more information, or a quotation, please contact us.**